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S. 2968

IN THE SENATE OF THE UNITED STATES

APRIL 2, 1952

Mr. SMATHERS (for himself and Mr. DUFF) introduced the following bill;
which was read twice and referred to the Committee on Post Office and
Civil Service

A BILL

To amend section 8 of the Civil Service Retirement Act of May
29, 1930, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 8 of the Civil Service Retirement Act of May
4 29, 1930, as amended, is amended by adding at the end
5 thereof the following:

6 “(c) (1) The annuity of any employee who, before
7 the date of enactment of this amendment, was retired and
8 is receiving or entitled to receive annuity from the fund,
9 shall be increased, effective on the first day of the second
10 month following enactment of this amendment, by \$36 for
11 each full six-month period elapsed between the commencing

1 date of annuity and October 1, 1952: *Provided*, That such
2 increase in annuity shall not exceed the lesser of \$324 or
3 25 per centum of the present annuity: *Provided further*,
4 That the increases to retired employees provided by this
5 subsection shall not operate to increase the annuities of their
6 survivors.

7 “(2) The increases in annuity provided by this sub-
8 section shall be paid from the civil-service retirement and
9 disability fund, and shall terminate, without subsequent
10 resumption, under either of the following conditions:

11 “(A) At the end of the second month following the
12 third consecutive month for which the Consumers’ Price
13 Index of the Bureau of Labor Statistics is less than
14 169.9, the index for the month of April 1948. In the
15 event that the Bureau of Labor Statistics revises the
16 basis of calculating the Consumers’ Price Index, it shall
17 immediately furnish to the Commission a conversion
18 factor designed to adjust to the new basis the index
19 figure of 169.9 described herein, and such adjusted index
20 shall be used for the purposes of this subsection.

21 “(B) On December 31, 1953, or on December
22 31 of any subsequent year, unless before such date an
23 appropriation has been made to the civil-service retire-
24 ment and disability fund for the specific purpose of
25 compensating said fund for the cost, as determined by

1 the Commission, of increases provided by this subsection
2 during the fiscal year immediately preceding such date.”

3 SEC. 2. There is hereby created a body to be known as
4 the Committee on Fiscal Policy for Federal Civilian Retirement
5 Systems, which shall be composed of the Secretary
6 of the Treasury, the Chairman of the Board of Governors
7 of the Federal Reserve System, and the Director of the
8 Bureau of the Budget, all ex officio. This Committee shall
9 report to the Congress not later than June 30, 1953. Its
10 report shall cover the following:

11 (A) A survey of existing methods of determining
12 and funding the Government's portion of the cost of the
13 retirement systems for civilian employees of the United
14 States Government and of the District of Columbia
15 Government;

16 (B) A recommendation as to the desirability of a
17 uniform method of cost determination and funding; and

18 (C) A recommendation of the uniform method of
19 cost determination and funding (or varied methods ap-
20 plicable to the several systems, if found desirable),
21 which, in harmony with budget and fiscal policies of the
22 United States, will result in the proper discharge of the
23 Government's liabilities under such retirement systems.

A BILL

To amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

By Mr. SMATHERS and Mr. DUFF

APRIL 2, 1952

Read twice and referred to the Committee on Post
Office and Civil Service

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued April 23, 1952

For actions of April 22, 1952

32nd-2nd, No. 67

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate passed 3rd supplemental appropriation bill. Both Houses passed \$25 million appropriation for disaster relief. Ready for President. Senate committees reported Treasury-Post Office appropriation bill and St. Lawrence waterway measure. Senate committee reported nomination of Andrews to TCA. Senate committee ordered reported road-authorization bill.

SENATE

1. **THIRD SUPPLEMENTAL APPROPRIATION BILL, 1952.** Passed with amendments this bill, H. R. 6947 (pp. 4247-52, 4254-67).

Sens. McKellar, Hayden, Russell, McCarran, O'Mahoney, Bridges, Ferguson, Cordon, and Saltonstall were appointed Senate conferees on the bill (p. 4267).

Agreed to a Johnston amendment to establish a \$6,500,000 revolving fund for Civil Service Commission investigations to be borne by funds of the departments and agencies (pp. 4247-9).

Agreed to a Hayden amendment to strike out the provision cutting the pay-cost items in Chapter 11 by 10% in the case of most departments (including USDA) and 1% in the case of the Post Office Department. Then agreed to a Ferguson amendment to cut the other pay-cost items in the bill (that is, those not in Chapter 11) by 10%. The purpose of these two actions was to provide for conference committee consideration of all of the pay-cost items. (pp. 4249-52, 4254.)

Agreed to a Bridges amendment decreasing the Trust Territory of the Pacific Islands by \$300,000 in view of anticipated receipts of that amount (pp. 4261-5).

Rejected, 47-29 (two-thirds vote required), a Ferguson amendment prohibiting use of any 1952 appropriations in connection with any plant seizure (pp. 4254-61).

2. **FLOOD RELIEF.** Both Houses passed without amendment H. J. Res. 427, to appropriate \$25,000,000 additional for flood relief in the Missouri Basin (pp. 4281-4, 4302, 4267-9, 4235-8, 4265-7). This measure will now be sent to the President.

3. TREASURY-POST OFFICE APPROPRIATION BILL, 1953. The Appropriations Committee reported with amendments this bill, H. R. 6854 (S. Rept. 1464) (p. 4240).
4. ST. LAWRENCE WATERWAY. The Foreign Relations Committee rejected, by a 6-6 vote, a motion to report favorably S. J. Res. 27, to authorize this project. It then voted, 9-4, to report the measure without recommendation. (pp. 4240, D359.) Sen. Lehman inserted a letter from the President favoring the project (p. 4244).
5. NOMINATION. The Foreign Relations Committee reported favorably the nomination of Stanley Andrews to be Technical Cooperation Administrator (p. 4241).
6. ROAD AUTHORIZATIONS. The Roads Subcommittee of the Public Works Committee voted to report favorably to the full committee, with amendments, S. 2437, to authorize appropriations for roads in the fiscal years 1954 and 1955 (p. D359).
7. CIVIL-SERVICE RETIREMENT. The Post Office and Civil Service Committee ordered reported with amendments S. 2968, to increase the annuities of retirees up to \$324 annually. It is understood that the revised bill provides that the increase would be temporary (through June 1954) and that a continued increase beyond that time would have to be provided by specific appropriation instead of being financed from the retirement fund. (p. D359.)
8. IMPORT CONTROLS. Sen. Wiley spoke in favor of retaining import controls on dairy products (pp. 4239-40).
9. FLOOD CONTROL. Sen. Butler, Nebr., spoke in favor of additional flood control (pp. 4252-4).
10. FARM PROGRAM. Sen. Bridges inserted a list of the President's recommendations which have not been passed by Congress, including various proposals regarding a farm program (pp. 4241-2).
11. RECONSTRUCTION FINANCE CORPORATION. Began debate on S. 515, to amend the RFC Act in a number of particulars so as to clarify its responsibilities and improve its accounting methods and financial structure. Sen. Byrd submitted and discussed his amendment to abolish RFC and transfer its national-defense functions to other agencies. (pp. 4269-75.)

HOUSE

12. PUERTO RICO. Received the President's message transmitting to Congress for approval the Constitution of Puerto Rico; to Interior and Insular Affairs Committee (H. Doc. 435) (pp. 4291-2).
13. PUBLIC LANDS. The Interior and Insular Affairs Committee ordered reported (but did not actually report) H. R. 1631, amended, setting aside the Fort Reno (Okla.) Military Reservation in trust for the Cheyenne-Arapaho Indians (p. D360).
14. ELECTRIFICATION. The Interior and Insular Affairs Committee ordered reported (but did not actually report) H. R. 2643, consolidating the Parker Dam power project and the Davis Dam project into the Parker-Davis project (p. D360).
15. FLOOD CONTROL. Received Lowell, Mass. city Clerk's petition requesting that cuts in New England States flood-control program be reinstated (p. 4304).

ties which add to the difficulty of enforcement, and heard testimony generally in favor thereof from Assistant Secretary John S. Graham, accompanied by Charles McNeill, Assistant General Counsel, W. R. Johnson, Technical Assistant to the Commissioner of Customs, all of the Treasury Department; Phillip Nichols, Jr., General Counsel, Renegotiation Board; and Harold F. Linder, Deputy Assistant Secretary for Administration Affairs, State Department. Hearings continue tomorrow.

ST. LAWRENCE SEAWAY, NATO, AND NOMINATIONS

Committee on Foreign Relations: In executive session, committee rejected, by a vote of 6 to 6, a motion to report favorably S. J. Res. 27, the proposed St. Lawrence seaway project, and then by a vote of 9 to 4 it agreed to a motion to report S. J. Res. 27 to the Senate Calendar without recommendation; committee also ordered reported favorably to the Senate with amendments S. 2269, to create Commission To Study Relations Between U. S. and Other North Atlantic Nations, and the nominations of William Sebald to be Ambassador to Burma, and Stanley Andrews to be Technical Cooperation Administrator. Committee meets again tomorrow to vote on proposed extension of Mutual Security Program.

SURPLUS BUILDINGS

Committee on Government Operations: Permanent Subcommittee on Investigations concluded hearings on the sale by the WAA of certain surplus buildings at Jefferson Barracks, St. Louis, Mo., receiving testimony from James T. Waechter, St. Louis attorney, and Lee B. Schumacher, also of St. Louis, who explained a \$25,000 fee derived as a result of the sale of certain surplus buildings at Jefferson Barracks. Subcommittee recessed subject to call.

STEEL DISPUTE

Committee on Labor and Public Welfare: Committee continued its hearings on the recent steel industry dispute, receiving testimony from the steel industries' point of view from John A. Stephens, vice president, U. S.

Steel, and John Baine, industry member of the steel panel. Hearings continue tomorrow.

CIVIL SERVICE RETIREMENT, AND NOMINATIONS

Committee on Post Office and Civil Service: Committee in executive session, ordered reported to the Senate with amendments S. 2968, to amend the Civil Service Retirement Act with regard to increased annuities. Committee also ordered favorably reported 38 postmaster nominations.

Prior to this action, subcommittee, in executive session, ordered favorably reported to the full committee S. 2968.

HIGHWAY CONSTRUCTION

Committee on Public Works: Subcommittee on Roads, in executive session, completed the mark-up of S. 2437, Federal Highway Act of 1952, authorizing appropriations for continuing the construction of highways, and ordered this bill favorably reported, with amendments, to the full committee. Subcommittee recessed subject to call.

ALUMINUM

Select Committee on Small Business: Mobilization and Procurement Subcommittee continued hearings on restrictions on use of aluminum, receiving testimony from the following witnesses: Harold M. Gruener, Diamond Building Production Co., Cleveland; Louis L. Warner, president, and Harry Petruzzelli, accountant, both of the Warner Manufacturing Co., Jersey City, N. J.; Harry Sugar, president, and Simon L. Wansky, vice president, both of Alcoa, Inc., Akron; Milton C. Alexander, president, and Benjamin Shodell, production manager, both of Winstrom Manufacturing Corp., College Point, Long Island; all of these witnesses stated that their companies had used aluminum in excess of NPA allotments, and explained reasons therefor. Also testifying today was Robert A. Winn, Assistant General Counsel for Compliance, NPA, Washington, D. C. Subcommittee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 22 public bills, H. R. 7502-7523; 21 private bills, H. R. 7524-7544; and 10 resolutions, H. J. Res. 427-431, H. Con. Res. 209 and 210, and H. Res. 604-606, were introduced. Pages 4302-4303

Bills Reported: One report was made as follows: H. J. Res. 427, making an emergency appropriation for fiscal year 1952 (H. Rept. 1802). Page 4302

Emergency Appropriation: Adopted and sent to the Senate H. J. Res. 427, making an emergency appropriation of \$25 million for use in areas stricken by the present heavy floods on the Mississippi, the Missouri, and their tributaries. Pages 4281-4284

President's Messages: Received three messages from the President, which were read and referred as follows: *Panama Railroad Company*—Message transmitting the One Hundred and Second Annual Report of the

Board of Directors of the Panama Railroad Company for fiscal year 1951. The message was referred to the Committee on Merchant Marine and Fisheries.

Disaster Areas—Message transmitting a full report covering the expenditures of funds appropriated to the President to provide Federal aid to States and local governments in areas he declares to be "major disaster" areas. The message was referred to the Committees on Appropriations and Public Works and ordered printed as a House document (H. Doc. No. 434).

Puerto Rico—Message transmitting to Congress for approval the Constitution of the Commonwealth of Puerto Rico, adopted by the people of Puerto Rico on March 3, 1952. The message was referred to the Committee on Interior and Insular Affairs and ordered printed as a House document (H. Doc. No. 435).

Pages 4288-4292

Additional Judges: Resumed the consideration of S. 1203, to provide for the appointment of additional circuit and district judges, consumed all time allotted for debate, read the first section for amendment, and deferred further consideration of the bill until Wednesday. H. Res. 591, the rule for the consideration of S. 1203, was adopted by the House on April 2.

Pages 4292-4300

Bill Referred: One Senate-passed bill, S. 2039, to prohibit display of U. N. flag in position equal or superior to that of the U. S. flag, was referred to the Committee on the Judiciary.

Page 4301

Order of Business: Calendar Wednesday business, in order on April 23, was dispensed with pursuant to a unanimous-consent request.

Page 4300

Program for Wednesday: Adjourned at 3:35 p. m. until Wednesday, April 23, at 12 o'clock noon when the House will read S. 1203, the omnibus judgeship bill, for amendments under the 5-minute rule.

Committee Meetings

MILITARY PROCUREMENT

Committee on Armed Services: Postponed until next Tuesday morning, April 29, the hearings scheduled for today on H. R. 7405, to provide for an economical, efficient, and effective supply management organization within the Department of Defense through the establishment of a single supply cataloging system, the standardization of supplies, and the more efficient use of supply testing, inspection, and acceptance facilities and services.

MUTUAL SECURITY

Committee on Foreign Affairs: Resumed public hearings on H. R. 7005, to amend and extend the provisions of the Mutual Security Act of 1951, receiving testimony from the following witnesses—William S. Whitehead, Arlington, Va.; Andrew N. Overby, U. S. director, International Bank; John C. Lynn, legislative director,

American Farm Bureau Federation; Clem D. Johnston, U. S. Chamber of Commerce; James G. Patton, National Farmers Union; and J. T. Sanders, National Grange. Committee will meet executively tomorrow morning to hear Gen. George H. Olmsted, Director, Military Assistance Program, Office of Secretary of Defense, and Harlan Cleveland, Assistant Director for Europe, Mutual Security.

PUBLIC LANDS—MINING

Committee on Interior and Insular Affairs: Ordered the following bills reported to the House—

H. R. 1631, amended, setting aside certain Oklahoma lands (known as the Fort Reno Military Reservation) in trust for the Cheyenne-Arapaho Indian Tribes;

H. R. 2643, consolidating the Parker Dam power project and the Davis Dam project into the Parker-Davis project;

H. R. 3438, relating to fees earned by commissioners for the Territory of Alaska;

H. R. 3882, amended, authorizing the Secretary of the Interior to lease withdrawn or reserved public lands in Alaska for dock, wharf, and landing-site purposes;

H. R. 4991, amended, authorizing the issuance of a patent in fee to Almira Gilbreath Ramser;

H. R. 6439, amended, authorizing the addition of land to the Appomattox Court House National Historical Monument, Va.; and

H. R. 6556, authorizing the issuance of a patent in fee to Erle E. Howe.

Also considered, but took no final action on, H. R. 4575, to change the date for the beginning of annual assessment work on mining claims from July 1 to October 1.

SHIPPING

Committee on Merchant Marine and Fisheries: Opened hearings on S. 241, the long-range shipping bill, and received testimony from the following witnesses—Representative Wigglesworth, of Massachusetts; George A. Daley, Jr., chairman, Quincy (Mass.) Committee for Advancement of the U. S. Merchant Marine; Donald Macleay, attorney, Mississippi Shipping Co., New Orleans, La.; Dale L. Coy, Lake Carriers Association, Cleveland, Ohio; and Frazer A. Bailey, president, National Federation of American Shipping. Winder Harris, former Member of Congress from Virginia, submitted a statement for the record by L. R. Sanford, president, Shipbuilders Council of America. Hearings will be continued tomorrow morning at which time industry representatives are scheduled to testify.

CIVIL WORKS—WATERSHEDS

Committee on Public Works: Secretary of Agriculture Charles F. Brannan testified today before the Special Subcommittee To Study Civil Works with regard to watershed programs of the Department of Agriculture.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 25, 1952
For actions of April 24, 1952
52nd-2nd, No. 69

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HIGHLIGHTS: Senate confirmed nomination of Andrews to TCA. Senate committee reported Labor-Federal Security appropriation bill. House debated immigration bill. Both Houses received President's civil defense message.

HOUSE

1. IMMIGRATION. Continued debate on H. R. 5673, to revise the laws relating to immigration, naturalization, and nationality (pp. 4466-84).
2. CIVIL DEFENSE. Both Houses received the President's message reporting on civil-defense progress and urging further emphasis on this program (H. Doc. 445)(pp. 4465-6, 4393).
3. COMMITTEE ASSIGNMENT. Rep. O'Brien, N. Y., was elected to the Interior and Insular Affairs Committee (p. 4466).
4. FLOOD RELIEF. H. Doc. 434 is a report from the President on assistance provided by various agencies, including this Department, in connection with the recent floods.

SENATE

5. APPROPRIATIONS. Made H. R. 6854, Treasury-Post Office appropriation bill for 1953, its unfinished business (p. 4409).
The Appropriations Committee reported with amendments H. R. 7151, the Labor-FSA appropriation bill for 1953 (S. Rept. 1486) (p. 4447).
The Appropriations Committee was authorized to submit reports and file motions calling for the suspension of rules during recess (p. 4447).
6. NOMINATION. Confirmed the nomination of Stanley Andrews as Technical Cooperation Administrator (pp. 4399, 4448).
7. RETIREMENT. The Post Office and Civil Service Committee reported with amendments S. 2968, to provide increased payments to civil service annuitants (S. Rept. 1481) (p. 4399).

8. WAR POWERS. The Committee on Government Operations reported without amendment S. 2421, to extend title II of the First War Powers Act of 1941 through June 30, 1953 (p. D370).
9. BUDGETING; PERSONNEL BONDING; RECLAMATION. The Committee on Government Operations indefinitely postponed further action on S. Con. Res. 57, requesting the President to transmit to Congress a revised budget for the fiscal year 1953; S. 2887, to provide for the purchase of bonds to cover officers and employees of the Government; and S. 2695, to grant veteran's preference on purchase of certain real property acquired under reclamation laws (p. D370).
10. PRICE CONTROLS. Sen. Humphrey inserted two resolutions urging the exclusion of the Herlong and Capehart amendments from the price-control law (p. 4394).
11. ST. LAWRENCE SEAWAY; FOOT-AND-MOUTH DISEASE. Sen. Humphrey inserted two resolutions adopted by the Central Cooperative Wholesale urging the joint construction with Canada of the St. Lawrence Seaway and appropriation of funds to combat and control the foot-and-mouth disease (p. 4394).
12. FLOOD CONTROL. Sen. Murray spoke on the need for an intelligent flood control program for the Middle West, inserting a number of articles and editorials on the subject (pp. 4426-34).
13. PERSONNEL EFFICIENCY. Sen. Johnston commended the administration of the civil service retirement system in the Civil Service Commission as an instance of economical, effective management in the executive branch (pp. 4413-4).
14. RECESSED until Mon., Apr. 28 (p. 4448).

ITEMS IN APPENDIX

15. IMMIGRATION. Sen. Humphrey inserted a Harvard Crimson editorial opposing the McCarran immigration bill and favoring the Humphrey-Lehman bill, S. 2842, revising the immigration, naturalization, and nationality laws (p. A2605).
16. FLOOD CONTROL. Sen. Moody inserted a Christian Century editorial pointing out that the Tennessee Valley is free from great floods and urging a Missouri Valley Authority to control the Missouri River (p. A2605).
Speech in the House by Rep. Bender claiming that a Missouri River flood control plan could have been inaugurated long ago but for the Administration's insistence upon a complete Missouri Valley Authority. He stated that Federal aid for flood control is needed but that private industry should be relied upon to furnish electric light and power (p. A2619).
17. ANNUAL LEAVE. Speech in the House by Rep. Davis stating that he will request the Senate committee to adopt language in the independent offices appropriation bill for 1953 to make "clear beyond any shadow of doubt that accumulated leave will not be disturbed because of any provision" in the Thomas rider (p. A2619).
18. ELECTRIFICATION. Rep. Miller inserted resolutions adopted by the Mid-Hudson Industrial Association and the Kingston (N.Y.) Chamber of Commerce, and a Canadaigua (N. Y.) Messenger editorial favoring passage of the Capehart-Miller bills which provide for the further development of hydroelectric power on the Niagara River and Falls by private enterprise (pp. A2609, A2613-4, A2614).

PROVIDING COST-OF-LIVING INCREASE IN FEDERAL EMPLOYEE ANNUITIES

APRIL 24, 1952.—Ordered to be printed

Mr. SMATHERS, from the Committee on Post Office and Civil Service,
submitted the following

R E P O R T

[To accompany S. 2968]

The Committee on Post Office and Civil Service, to whom was referred the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

AMENDMENTS

Page 2, lines 21 and 22, change the dates "December 31, 1953" and "December 31" to read "June 30, 1954" and "June 30" respectively.

Page 3, at the end of the bill add the following:

SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

PURPOSE

The purpose of the bill is to provide for an increase to each retired employee receiving annuity out of the civil service retirement and disability fund, who retired on or before April 1, 1952. This increase would amount to \$36 for each full 6 months elapsed between commencing date of annuity and October 1, 1952, with a limitation of \$324 or 25 percent of present rate, whichever is lesser. The increase would be effective the first day of the second month after enactment. The bill does not increase annuities to survivors now on the roll or to those added to the roll in the future.

This stipulated increase would terminate, without subsequent resumption, at the end of the second month after the Consumers' Price Index of the Bureau of Labor Statistics had been, for three consecutive months, less than the index for April 1948. This figure is 169.9 and will be used as the standard, unless the Bureau revises its calculation basis in which event the proper conversion factor will be used in the determination.

The increase would also be subject to such termination on June 30, 1954, or on June 30 of any later year unless Congress had before that time appropriated the funds necessary to pay the increase for the fiscal year preceeding such date.

Section 2 of the bill would create a Committee on Fiscal Policy for Federal Civilian Retirement Systems, its members being the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget. This committee would survey existing methods of determining and funding the Government's cost of these retirement systems and make report and recommendations to Congress, on or before June 30, 1953, as to the method or methods of financing which will result in the proper discharge of the Government's liabilities.

STATEMENT

It is a well recognized fact that the cost of living has materially increased during the past several years. The Consumers' Price Index for March 1952 is 188.0 as contrasted with 169.9 in April 1948 when the annuitants were last granted an increase to partially offset rising living costs. Persons whose chief livelihood is dependent upon a fixed income as is the case in the great majority of annuitants, are hardest hit by this increase. The committee believes that an increase in annuities of those already retired is justified as a partial offset to the decreased purchasing power of the dollar. This view has been adopted by this Congress in its amendments to the Social Security and Railroad Retirement Acts increasing the amount of the benefits payable under these systems.

The Civil Service Commission, while not opposed to the granting of the increase, strongly recommends that any increases to retired employees should be fully covered by advanced appropriations. The committee is not convinced that such requirement is essential. Such method of financing has not been so considered in granting increases under other systems. Under the bill, as amended, payment of the increases would be made from the civil service retirement and disability fund for a possible period of 2 years and would amount to approximately \$62,000,000. This sum will be taken from the more than \$4½ billion cash amount now in this retirement fund. This approach is not to be considered as a precedent for any possible subsequent increase, but is adopted because of the real problems facing these annuitants in meeting living costs on low annuities. It is not considered fair or reasonable that any increases should be deferred pending recommendations to Congress by the proposed Committee on Fiscal Policy of the proper method for cost determination and funding of Government retirement systems.

The Chairman of the Civil Service Commission has on several occasions expressed the opinion that the civil service retirement

system should be financed on a fully funded reserve basis, that is, that there should be sufficient money in the fund to meet all obligations to persons already retired and now in service. The committee is not convinced that this is the proper and best method. For this reason the bill contains the provision for a special committee of fiscal experts to make a thorough study of the existing methods of financing civilian retirement systems, and to report to Congress not later than June 30, 1953, with recommendations as to the method or methods to be adopted. Since this report is not required until June 30, 1953, the dates appearing in the bill, December 31, 1953, and December 31, have been changed to June 30, 1954, and June 30, to give Congress sufficient time to act on the report.

While the purpose of the bill is to provide an income increase to the annuitants affected, the allowance of such increase would in some instances produce the exact opposite result. Laws providing for pensions for veterans by reason of non-service-connected disabilities contain a bar against their receipt where the veteran has an income from other sources in amounts of \$1,000 a year if single, and \$2,500 if married. The Veterans' Administration classes annuities allowed under the Civil Service Retirement Act as such other income. Therefore, the allowance of this increase would in some cases raise the income above the limitations specified thereby causing a loss of the entire amount of the pension, and a corresponding decrease in total income. The amendment, which permits annuitants to waive the increase granted by this bill, would remedy this situation.

S. 2968 was reported from the committee by unanimous consent of those present.

AGENCY REPORTS

Attached hereto and made a part of this report is a letter from the Chairman of the Civil Service Commission.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington 25, D. C., April 15, 1952.

HON. OLIN D. JOHNSTON

*Chairman, Committee on Post Office and Civil Service,
United States Senate, Senate Office Building.*

Dear SENATOR JOHNSTON: I am referring further to your letter of April 3, 1952, relative to S. 2968, a bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The bill would provide for an increase in the annuity of each employee who was retired on or before April 1, 1952, and who on the date of enactment is receiving or entitled to receive annuity from the civil service retirement and disability fund. This increase would amount to \$36 for each full 6 months elapsed between commencing date of annuity and October 1, 1952, with a limitation of \$324 or 25 percent of present rate, whichever is lesser. The increase would be effective the first day of the second month after enactment. The bill does not increase annuities to survivors now on the roll or to those added to the roll in the future.

This stipulated increase would terminate, without subsequent resumption, at the end of the second month after the Consumers' Price Index of the Bureau of Labor Statistics had been, for three consecutive months, less than the index for April 1948. This figure is 169.9 and will be used as the standard unless the Bureau revises its calculation basis, in which event the proper conversion factor will be used in the determination.

The increase would also be subject to such termination on December 31, 1953, or on December 31 of any later year unless Congress had before that time appropriated the funds necessary to pay the increase for the fiscal year preceding such date.

4 COST-OF-LIVING INCREASE IN FEDERAL EMPLOYEE ANNUITIES

There would be created a Committee on Fiscal Policy for Federal Civilian Retirement Systems, its members being the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget. This committee would survey existing methods of determining and funding the Government's cost of these retirement systems and make report and recommendations to Congress, on or before June 30, 1953, as to the method or methods of financing which will result in the proper discharge of the Government's liabilities.

The justification for increases in annuities is based upon a recognized higher cost of living. The Bureau of Labor Statistics recently estimated the annual income necessary to support a family of two persons over 65 at a modest but adequate level of urban living. It found that a modest level of living for a retired elderly couple costs between \$1,700 and \$1,800 a year at October 1950 price levels in nearly half of the 34 cities for which it made estimates. The figure varied from city to city—for example \$1,908 a year in Milwaukee, \$1,863 a year in Washington, D. C., and \$1,602 in New Orleans.

In view of these findings, the Commission sees no justification for increasing annuity rates to more than \$1,800 and strongly urges that the bill be changed to contain this limitation. As of June 30, 1951, 21,080 of a total of 166,680 retired employees were receiving annuities of \$1,800 or more.

As of June 30, 1951, there was in the civil service retirement and disability fund the sum of \$4,419,927,112.89 in cash and investments. This is of course a substantial sum, but creates a false impression or sense of security when examined alone. On the other side of the ledger, we find that the fund had on that date liabilities of \$9,294,927,112.89. This results in an excess of liabilities over assets (or deficit) of \$4,875,000,000. This is illustrated by the following comparative statement, which also shows how the deficit has increased from 1947 to 1951.

Statement of condition of the Civil Service Retirement and Disability Fund as of June 30, 1947, and June 30, 1951

	June 30, 1947	June 30, 1951
LIABILITIES		
1. Liability to present and former employees for deductions from payroll, service-credit purchases, voluntary deposits, and accrued interest.....	\$1,571,744,233.29	\$2,550,616,394.06
2. Liability to beneficiaries or heirs of deceased, retired employees for unliquidated balances of their contributions, with interest.....	1,187,210.41	1,597,797.79
3. Liability to retired employees and survivor annuitants for payments accrued during June, payable July 1.....	8,911,558.28	17,224,223.18
4. Liability for all future payments in respect to employee and survivor annuitants on the roll.....	887,098,688.00	2,016,051,658.00
5. Liability for prospective annuity benefits based on service already rendered by present and former employees, not yet retired, in excess of benefits to be provided by their contributions with interest.....	3,103,977,903.96	4,709,437,039.86
6. Total.....	5,572,919,593.94	9,294,927,112.89
ASSETS		
7. Cash and investments in obligations of the United States.....	2,478,919,593.94	4,419,927,112.89
DEFICIT		
8. Excess of liabilities over assets.....	3,094,000,000.00	4,875,000,000.00

The bill in its present form provides for the payment of the increase out of the civil-service retirement and disability fund for a possible period of 1½ years with no assurance that the fund would be reimbursed by specific appropriation. If the fund is not reimbursed by appropriation the already huge deficit would be increased by approximately \$50,000,000. In the judgment of the Commission this is improper; appropriation to cover the increases should be made in advance.

The Commission therefore recommends that the bill be amended to provide that the proposed increases would not be payable until funds are first appropriated for this purpose, and that the increases terminate on any June 30 rather than December 31 if subsequent appropriations are not made. This is in contrast with the present form of the bill which does not require any appropriation for the fiscal year 1953.

The appropriation necessary to cover the first-year cost of the bill in its present form is estimated to be \$33,900,000, and would need to be made not later than December 31, 1953, in order for increases to be paid after that date. If the Commission's recommendation for the limitation of \$1,800 on increased annuities were adopted, the first-year cost is estimated to be \$27,700,000, and, under the Commission's further recommendation for advance appropriations, this amount would need to be made available before any increases are payable.

In our opinion the Civil Service Commission, which administers the retirement system covering the great majority of Federal employees, should be represented on the proposed Committee on Fiscal Policy for Federal Civilian Retirement Systems. It is therefore suggested that the Chairman of the Commission be designated as a member and a fifth member be designated by the President as the committee chairman.

The Commission is unanimous in its belief that this bill with amendments as proposed offers an equitable solution to the problem, and there are attached copies of S. 2968 incorporating the amendments recommended by the Commission in this report. If the amendments suggested in this report are adopted, the bill would then conform to the main point influencing the Commission in its report on S. 995, namely, that any increases to retired employees do not impair the financial structure of the system.

I shall be glad to testify publicly on this subject. I respectfully request the opportunity to do so.

In view of the specific request for immediate reply, the Commission has not been able to clear this report with the Bureau of the Budget.

By direction of the Commission:

Sincerely yours,

ROBERT RAMSPECK, *Chairman.*

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, S. 2968, as reported, are shown as follows (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930, AS AMENDED

BENEFITS EXTENDED TO THOSE ALREADY RETIRED

SEC. 8. (a) In the case of any officer or employee who before the effective date of this Act shall have been retired on annuity under the provisions of the Act of May 22, 1920, as amended, or section 8 (a) of the Act of June 16, 1933, the annuity shall be increased, effective on the first day of the second month following the month in which this Act is enacted by 25 per centum or \$300, whichever is the lesser: *Provided*, That each such annuitant may, prior to the effective date herein prescribed, elect to retain his or her present annuity, in lieu of the increased annuity provided by this section, and name his wife or her husband to receive upon his or her death one-half of his or her present annuity but not to exceed \$600 per annum during the remainder of the life of such surviving husband or wife and upon the death of such survivor no further annuity shall be due or payable. * * * Any such annuitant who died during the period beginning on February 29, 1948, and ending on April 30, 1948, leaving a surviving wife or husband, shall be deemed to have made the election authorized in the foregoing proviso and to have named such wife or husband to receive an annuity as provided in such proviso, but no such annuity shall become due or payable to such wife or husband prior to April 1, 1948. * * * Except as provided in this section, the amendments made by this Act shall not apply in the case of officers and employees retired prior to the effective date of this Act.

In case any officer or employee shall have been separated subsequent to January 23, 1942, and prior to the effective date of this Act and have acquired title to annuity under section 7 of the Act of May 29, 1930, as amended, beginning after such effective date, his rights shall be determined and annuity computed as though this Act had not been enacted: * * * *Provided*, That any such officer or employee who has completed less than twenty years' civilian service may elect to forfeit his right to such annuity and elect to receive in lieu thereof the amount credited to his individual account together with interest compounded

on December 31 of each year at the rate of 4 per centum to the date of his separation or December 31, 1947, whichever may be the earlier, and at the rate of 3 per centum for any period thereafter before April 1, 1948: *Provided further*, That if the separation of such officer or employee was involuntary, not by removal for cause on charges of misconduct or delinquency, the total amount of deductions, with such interest, shall be returned.

In the case of any officer or employee who, prior to the effective date of this Act, shall have been retired on an annuity under the provisions of the Alaska Railroad Retirement Act, as amended, the Canal Zone Retirement Act, as amended, or section 8 (b) of the Act of June 16, 1933, the annuity shall be increased effective April 1, 1948, by 25 per centum or \$300 whichever is the lesser: *Provided*, That each such annuitant may, prior to the expiration of sixty days following the date of enactment of this paragraph, elect to retain his or her present annuity, in lieu of the increased annuity provided by this paragraph, name his wife or her husband to receive upon his or her death one-half of his or her present annuity but not to exceed \$600 per annum during the remainder of the life of such survivor and upon the death of such survivor no further annuity shall be due or payable. Any such annuitant who shall have died between the effective date of this Act and the expiration of the said sixty-day period after the enactment of this paragraph leaving a surviving wife or husband shall be deemed to have named such wife or husband to receive an annuity as provided herein, but no such annuity shall become payable to such wife or husband prior to the date of enactment of this paragraph. Except as provided in this paragraph, the provisions of this Act shall not apply in the case of officers and employees of The Alaska Railroad, Territory of Alaska, or officers and employees of the Panama Canal or the Panama Railroad Company (1) retired prior to the effective date of this Act, or (2) separated prior to such date, in which case their refund or annuity rights shall be determined as though the Alaska Railroad Retirement Act and the Canal Zone Retirement Act had not been repealed: *Provided*, That there shall be deemed applicable as of July 29, 1942, to such officers and employees of the Panama Canal and the Panama Railroad Company, the provisions of the Act of July 30, 1947 (61 Stat. 521), respecting the return of amounts deducted from compensation.

(b) (1) In the case of any retired officer or employee mentioned in the first paragraph of subsection (a) who did not elect a survivor's annuity in accordance with the proviso in such subsection, there shall be payable upon his or her death, to his or her wife or husband to whom the annuitant was married before April 1, 1948, an annuity equal to one-half of his or her present annuity (excluding the increase therein under subsection (a)), but not to exceed \$600 per annum, during the remainder of the life of such survivor. The provisions of this paragraph shall apply in the case of any such annuitant who died subsequent to April 30, 1948.

(2) Any such retired officer or employee who elected a survivor's annuity in accordance with the proviso in subsection (a) shall be paid an increase in his annuity of 25 per centum or \$300 whichever is the lesser.

(c) (1) *The annuity of any employee who, before the date of enactment of this amendment, was retired and is receiving or entitled to receive annuity from the fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full six-month period elapsed between the commencing date of annuity and October 1, 1952: Provided, That such increase in annuity shall not exceed the lesser of \$324 or 25 per centum of the present annuity: Provided further, That the increases to retired employees provided by this subsection shall not operate to increase the annuities of their survivors.*

(2) *The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, under either of the following conditions:*

(A) *At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.*

(B) *On June 30, 1954, or on June 30 of any subsequent year, unless before such date an appropriation has been made to the civil-service retirement and disability fund for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal year immediately preceding such date.*

SEC. 2. There is hereby created a body to be known as the Committee on Fiscal Policy for Federal Civilian Retirement Systems, which shall be composed of the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget, all ex officio. This Committee shall report to the Congress not later than June 30, 1953. Its report shall cover the following:

(A) A survey of existing methods of determining and funding the Government's portion of the cost of the retirement systems for civilian employees of the United States Government and of the District of Columbia Government;

(B) A recommendation as to the desirability of a uniform method of cost determination and funding; and

(C) A recommendation of the uniform method of cost determination and funding (or varied methods applicable to the several systems, if found desirable), which, in harmony with budget and fiscal policies of the United States, will result in the proper discharge of the Government's liabilities under such retirement systems.

PAYMENT OF ANNUITIES AND FORM OF APPLICATION

SEC. 13. * * * Annuities granted under the terms of this Act shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. Payment of all annuities, refunds, and allowances granted hereunder shall be made by checks drawn and issued by the Treasury Department in such form and manner and with such safeguards as shall be prescribed by the Civil Service Commission in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments.

Applications for annuity shall be in such form as the Civil Service Commission may prescribe, and shall be supported by such certificates from the heads of departments, branches, or independent offices of the Government in which the applicant has been employed as may be necessary to the determination of the rights of the applicant. Upon receipt of satisfactory evidence the Civil Service Commission shall forthwith adjudicate the claim of the applicant, and if title to annuity be established, a proper certificate shall be issued to the annuitant under the seal of the Civil Service Commission.

An annuity granted for retirement under the provisions of section 1 or 2 of this Act shall commence the first day of the month following the date of separation from the service, or on the first day of the month following the month in which salary shall cease provided the employee meets the age and service requirements for retirement at that time, and shall continue during the life of the annuitant. An annuity granted under the provisions of section 6 or 7 hereof shall be subject to the limitations specified in said sections.

Hereafter retirement authorized by law of Federal personnel of whatever class, civil, military, naval, judicial, legislative, or otherwise, and for whatever cause retired, shall take effect on the 1st day of the month following the month in which said retirement would otherwise be effective, and said 1st day of the month for retirements hereafter made shall be for all purposes in lieu of such date for retirement as may now be authorized; except that the rate of active or retired pay or allowance shall be computed as of the date retirement would have occurred if this Act had not been enacted.

The term "annuitant" as used in this Act shall include any employee who has met all requirements of the Act for title and has filed claim therefor, notwithstanding final administrative action was not taken by the Civil Service Commission prior to his death. Nothing in this section shall be so construed as to reduce any benefit otherwise payable.

Any person entitled to annuity from the civil service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waiver shall be made covering the period during which such waiver was in effect.

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Calendar No. 1408

82D CONGRESS
2D SESSION

S. 2968

[Report No. 1481]

IN THE SENATE OF THE UNITED STATES

APRIL 2, 1952

Mr. SMATHERS (for himself and Mr. DUFF) introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

APRIL 24, 1952

Reported by Mr. SMATHERS, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 That section 8 of the Civil Service Retirement Act of May
4 29, 1930, as amended, is amended by adding at the end
5 thereof the following:

6 “(c) (1) The annuity of any employee who, before
7 the date of enactment of this amendment, was retired and
8 is receiving or entitled to receive annuity from the fund,
9 shall be increased, effective on the first day of the second
10 month following enactment of this amendment, by \$36 for
11 each full six-month period elapsed between the commencing

1 date of annuity and October 1, 1952: *Provided*, That such
2 increase in annuity shall not exceed the lesser of \$324 or
3 25 per centum of the present annuity: *Provided further*,
4 That the increases to retired employees provided by this
5 subsection shall not operate to increase the annuities of their
6 survivors.

7 (2) The increases in annuity provided by this sub-
8 section shall be paid from the civil-service retirement and
9 disability fund, and shall terminate, without subsequent
10 resumption, under either of the following conditions:

11 “(A) At the end of the second month following the
12 third consecutive month for which the Consumers’ Price
13 Index of the Bureau of Labor Statistics is less than
14 169.9, the index for the month of April 1948. In the
15 event that the Bureau of Labor Statistics revises the
16 basis of calculating the Consumers’ Price Index, it shall
17 immediately furnish to the Commission a conversion
18 factor designed to adjust to the new basis the index
19 figure of 169.9 described herein, and such adjusted index
20 shall be used for the purposes of this subsection.

21 “(B) On ~~December 31, 1953~~ June 30, 1954, or on
22 ~~December 31~~ June 30 of any subsequent year, unless
23 before such date an appropriation has been made to
24 the civil-service retirement and disability fund for the
25 specific purpose of compensating said fund for the cost,

1 as determined by the Commission, of increases pro-
2 vided by this subsection during the fiscal year immedi-
3 ately preceding such date."

4 SEC. 2. There is hereby created a body to be known as
5 the Committee on Fiscal Policy for Federal Civilian Retire-
6 ment Systems, which shall be composed of the Secretary
7 of the Treasury; the Chairman of the Board of Governors
8 of the Federal Reserve System; and the Director of the
9 Bureau of the Budget, all ex officio. This Committee shall
10 report to the Congress not later than June 30, 1953. Its
11 report shall cover the following:

12 (A) A survey of existing methods of determining
13 and funding the Government's portion of the cost of the
14 retirement systems for civilian employees of the United
15 States Government and of the District of Columbia
16 Government;

17 (B) A recommendation as to the desirability of a
18 uniform method of cost determination and funding; and

19 (C) A recommendation of the uniform method of
20 cost determination and funding (or varied methods ap-
21 plicable to the several systems, if found desirable),
22 which, in harmony with budget and fiscal policies of the
23 United States, will result in the proper discharge of the
24 Government's liabilities under such retirement systems.

25 *SEC. 3. Section 13 of the Civil Service Retirement Act*

1 of May 29, 1930, as amended, is amended by adding at the
2 end thereof the following paragraph:

3 "Any person entitled to annuity from the civil-service
4 retirement and disability fund may decline to accept all or
5 any part of such annuity by a waiver signed and filed with
6 the Commission. Such waiver may be revoked in writing at
7 any time, but no payment of the annuity waived shall be made
8 covering the period during which such waiver was in effect."

[Report No. 1481]

A BILL

To amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

By Mr. SMATHERS and Mr. DUFF

APRIL 2, 1952

Read twice and referred to the Committee on Post Office and Civil Service

APRIL 24, 1952

Reported with amendments

the refund. Every claim for refund must be in writing, under oath, must state the specific grounds upon which the claim is founded and must be filed with the assessor. If the assessor disallows all or any part of the claim for refund, he shall send to the taxpayer by registered mail a notice of such disallowance. Within 90 days after the mailing of the notice of disallowance, if the claim is acted upon within 6 months after the filing thereof, or within 90 days after the termination of such 6 months' period, if the claim is not acted upon within such period, the taxpayer may appeal to the Board, in the same manner and to the same extent as set forth in sections 3 and 4 of this title: *Provided*, That this subsection shall not apply to the taxes imposed by title II, District of Columbia Revenue Act of 1939, as amended; by the District of Columbia Income and Franchise Tax Act of 1947, as amended; or by titles I and II, District of Columbia Revenue Act of 1949, refunds of which are otherwise provided for by law; and that it shall not apply to the real-estate tax.

"(b) In any proceeding under this title the Board of Tax Appeals for the District of Columbia shall have jurisdiction to determine whether there has been any overpayment of tax and to order that such overpayment be credited or refunded to the taxpayer: *Provided*, That a timely refund claim has been filed. Where a notice of assessment is mailed to the taxpayer on or before the last day on which a timely claim for refund could be filed, an appeal filed within 90 days after the mailing of such notice asserting an overpayment shall, for the purposes of this subsection, be deemed to be a timely claim for refund.

"(c) The remedies provided to the taxpayer under this title shall not be deemed to take away from the taxpayer any remedy which he might have under any other provision of law, but no suit for the recovery of an overpayment of any tax shall be instituted in any court if the taxpayer has elected to file an appeal with respect to such overpayment with the Board of Tax Appeals for the District of Columbia under this title.

"(d) Any other provision of law to the contrary notwithstanding, if it shall be determined by the Assessor, the Board of Tax Appeals for the District of Columbia, or any court having jurisdiction over the subject matter that there has been an overpayment of any tax, whether as a deficiency or otherwise, interest shall be allowed and paid upon such overpayment of tax at the rate of 4 percent per annum from the date such overpayment was paid until the date of refund: *Provided*, That with respect to that part of any overpayment which was not assessed and paid as a deficiency or as additional tax such interest shall be allowed and paid only from the date of filing a claim for refund, a petition to the Board, or a complaint with a court of competent jurisdiction, as the case may be.

"(e) For the purposes of this section, any interest or penalties paid by the taxpayer in connection with an overpayment of tax shall be deemed to be a part of such overpayment of tax."

SEC. 5. Section 2 of title IX of the District of Columbia Revenue Act of 1937, as added by the act of May 16, 1938, and as amended, is amended by adding thereto the following new paragraphs:

"The Board of Tax Appeals for the District of Columbia shall hereafter be known as the District of Columbia Tax Court and the member thereof shall be known as the judge of the District of Columbia Tax Court. The said District of Columbia Tax Court shall not be deemed or held to be a constituent member of the assessing of taxing authority of the District of Columbia but shall be deemed to be an independent agency, separate and apart from such assess-

ing and taxing authority. All references in any statute (except this paragraph) to the Board of Tax Appeals or to the Board when used in the sense of the Board of Tax Appeals for the District of Columbia, or to the member thereof shall be considered to be made to the District of Columbia Tax Court and to the judge thereof, respectively.

"Whenever the judge of the District of Columbia Tax Court shall be unable to hear and determine any case, or if said judge shall disqualify himself from hearing and determining any case, or if that office should become vacant, the Commissioners are authorized in their discretion to appoint any member in good standing of the bar of the United States District Court for the District of Columbia to hear and determine such case or cases in the place and stead of the duly appointed judge, or of the duly appointed judge who has vacated that office: *Provided*, That, if the office of judge of the District of Columbia Tax Court shall become vacant, no such vacancy shall be deemed to exist for the purposes of this paragraph after the expiration of 120 days, except that the person appointed to fill the temporary vacancy may and shall determine all cases the hearing of which commenced within such 120 days. Any person appointed under this paragraph to act in the place and stead of the duly appointed judge of the District of Columbia Tax Court, or so to act while that office is vacant, shall take the oath of office and shall be paid on a per diem basis in an amount to be determined by the Commissioners and paid out of the annual appropriation for the District of Columbia Tax Court. No action taken under this paragraph shall operate to reduce the salary of the duly appointed judge of the District of Columbia Tax Court. No person employed by the United States or by the District of Columbia shall be appointed under this paragraph."

SEC. 6. The first sentence of subsection (h) of section 4 of the act of August 28, 1935 (49 Stat. 948, ch. 794), as amended, is further amended to read as follows:

"(h) Collections: If, after due notice, any employer defaults in any payment of contributions or interest thereon, the amount due may be collected by the Board or its designated agent in the manner provided by law for the collection of taxes due the District on personal property in force at the time of such collection (including collection thereof by distraint), or by civil action in the name of the Board, and the employer adjudged in default shall pay the costs of such action."

SEC. 7. The amendments made by section 2 of this act shall be effective July 1, 1952.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

QUARTERING OF TROOPS PARTICIPATING IN 1953 INAUGURAL CEREMONIES

The joint resolution (H. J. Res. 394) to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies of 1953, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. HENDRICKSON. Mr. President, reserving the right to object, at this time I send to the desk an amendment in the nature of a substitute. I understand that the distinguished Senator from Wyoming is willing to accept the substitute.

Mr. HUNT. Mr. President, I shall be pleased to accept the substitute.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 394), which had been reported from the Committee on the District of Columbia with an amendment.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment in the nature of a substitute offered by the Senator from New Jersey [Mr. HENDRICKSON].

The LEGISLATIVE CLERK. It is proposed to strike out all after the resolving clause and insert:

That the fourth paragraph under the heading "State, War, and Navy Department Building," in the first section of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1903, and for other purposes", approved April 28, 1902 (32 Stat. 152; 40 U. S. C. 31), is amended by inserting before the period at the end thereof the following: "and except that the Administrator of General Services and the respective heads of executive departments and establishments may allocate such space in any public building under their care and supervision as they deem necessary for the purposes of quartering, for a period of not exceeding 5 days beginning not earlier than the 18th day of January in any year, troops participating in such ceremonies".

Mr. HUNT. Mr. President, the junior Senator from Wyoming is pleased to accept the substitute, because it is probably a better measure than the one reported.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from New Jersey.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The ACTING PRESIDENT pro tempore. The title will be amended as may be necessary.

Mr. HENDRICKSON. Mr. President, I send to the desk a statement explaining the substitute, which I ask to have incorporated in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

As reported from committee House Joint Resolution 394 would amend existing law (32 Stat. 152; 40 U. S. C. 31) which bans the use of public buildings in connection with inaugural ceremonies by providing an exception thereto, which will permit the quartering of troops during the 1953 inaugural ceremony. A similar exception has been made in all prior inaugurals at least as far back as that of 1929.

It is believed that there is no reason why such an exception with respect to the ban upon the use of public buildings in connection with inaugural ceremonies should not be provided in the permanent law. The amendment provides for this, so that hereafter the General Services Administrator or other appropriate Federal officer will be authorized to permit the quartering of troops

in public buildings for a period of not more than 5 days beginning not earlier than 2 days before the date of the inaugural.

MAINTENANCE OF PUBLIC ORDER IN CONNECTION WITH 1953 INAUGURAL CEREMONIES

The Senate proceeded to consider the joint resolution (H. J. Res. 395) to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1953, which had been reported from the Committee on the District of Columbia with an amendment on page 2, line 7, after the word "secure", to strike out "such" and insert "the."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

COMMITTEE ON INAUGURAL CEREMONIES—GRANTING OF PERMITS

The Senate proceeded to consider the joint resolution (H. J. Res. 393) authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1953, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That the Administrator of General Services, and such other officers of the District of Columbia and the United States as control any public lands in the District of Columbia, are hereby authorized to grant permits, under such restrictions as they may deem necessary, to the Committee on Inaugural Ceremonies, to be appointed by the President-elect for the use of any reservations or other public spaces in the District of Columbia under their control on the occasion of the inauguration of the President-elect in January 1953. All stands or platforms that may be erected on public space shall be under the supervision of the inaugural committee. No stand shall be built on the sidewalks, streets, parks, and public grounds of the District of Columbia, other than the area on the south side of Pennsylvania Avenue directly in front of the White House, except with the approval of the inaugural committee, the director of inspection of the District of Columbia, and the Administrator of General Services. The reservations or public spaces occupied by the stands or other structures shall, after the inauguration, be promptly restored to their previous condition. The inaugural committee shall indemnify the appropriate agency of the Government for any damage to such reservations or spaces.

SEC. 2. The Commissioners of the District of Columbia are authorized to permit the inaugural committee to stretch suitable overhead conductors, with sufficient supports, for illumination and other purposes. If it shall be necessary to erect wires for illuminating or other purposes over any park or reservation in the District of Columbia, the work of erection and removal shall be under the supervision of the official in charge of said park or reservation. Such conductors with their supports shall be removed on or before January 31, 1953. The Commissioners of the District of Columbia, or such other officials as may have jurisdiction in the premises, shall enforce the provisions of this

joint resolution, take needful precautions for the protection of the public, and insure that the pavement of any street, avenue, or alley disturbed is replaced in its previous condition. No expense or damage from the stretching, operation, or removal of the temporary overhead conductors shall be incurred by the United States or the District of Columbia.

SEC. 3. The Secretary of Defense is authorized to lend to the Committee on Inaugural Ceremonies such hospital tents, smaller tents, camp appliances, hospital furniture, ensigns, flags, ambulances, drivers, stretchers, and Red Cross flags and poles (except battle flags), as may, in their judgment, be spared without detriment to the public service. Such loans shall be returned by the 26th day of January 1953. The committee shall indemnify the Government for any loss or damage to such flags not necessarily incident to such use.

SEC. 4. The Commissioners of the District of Columbia, the Administrator of General Services, and the inaugural committee are authorized to permit telegraph, telephone, radio-broadcasting, and television companies to extend overhead wires to such points along the line of parade as shall be deemed convenient for use in connection with the parade and other inaugural purposes. Such wires shall be removed within 10 days after the conclusion of the ceremonies.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

PUBLIC ASSISTANCE TO NEEDY PERSONS IN THE DISTRICT OF COLUMBIA—BILL POSTPONED TO NEXT CALENDAR CALL

The bill (S. 2502) to provide public assistance to needy persons in the District of Columbia, and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPEL. Mr. President, I desire to ask a question of the distinguished Senator from South Carolina. Inasmuch as some communications and questions have been directed to the General Accounting Office, which is making certain findings, I wonder whether the Senator would have any objection to this bill's going over for further study to the next calendar call, with the distinct understanding that unanimous consent may be granted that it be included in the next call of the calendar.

Mr. JOHNSTON of South Carolina. I would not object, with that understanding, and with the understanding that it will not be placed in the category of contested bills.

The ACTING PRESIDENT pro tempore. Unanimous consent is requested that this bill go over, without prejudice, to the next calendar call. Is there objection? The Chair hears none, and it is so ordered.

TRANSFER OF CERTAIN PROPERTY BY GENERAL SERVICES ADMINISTRATION TO SECRETARY OF THE INTERIOR

The bill (S. 2043) to authorize the transfer of certain property by the Ad-

ministrator of the General Services Administration to the Secretary of the Interior was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of the General Services Administration is hereby authorized and directed to transfer to the Secretary of the Interior, without reimbursement, a wood-frame building located in the city of Everett, Wash., on land leased from the city of Everett, formerly occupied by the Civil Aeronautics Administration, Department of Commerce, and now excess to the requirements of the Department of Commerce.

INCREASE IN FEDERAL EMPLOYEE ANNUITIES—BILL PASSED OVER

The bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, the junior Senator from New Jersey feels constrained to ask that this bill go over, I consider that it is not the character of bill on which action should be on the call of the calendar.

Mr. JOHNSTON of South Carolina. Mr. President, I think the Senator from New Jersey is correct in stating that this bill should not be passed on the call of the consent calendar, but I hope it will be considered at an early date, and there may be an understanding about it, because the affected people are really in need.

Mr. HENDRICKSON. Mr. President, I share the Senator's hope, and I shall help him as much as I can to get the bill before the Senate. But it certainly is not calendar business.

Mr. JOHNSTON of South Carolina. I ask unanimous consent to have printed in the RECORD at this point in my remarks a brief statement which I have prepared, explaining the probable effect of this bill.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of the bill is to provide for an increase to each retired employee receiving annuity out of the civil service retirement and disability fund, who retired on or before April 1, 1952. This increase would amount to \$36 for each full 6 months elapsed between commencing date of annuity and October 1, 1952, with a limitation of \$324 or 25 percent or present rate, whichever is lesser. The increase would be effective the first day of the second month after enactment. The bill does not increase annuities to survivors now on the roll or to those added to the roll in the future.

This stipulated increase would terminate, without subsequent resumption, at the end of the second month after the Consumers' Price Index of the Bureau of Labor Statistics had been for three consecutive months, less than the index for April 1948. This figure is 169.9 and will be used as the standard, unless the Bureau revises its calculation basis in which event the proper conversion factor will be used in the determination.

The increase would also be subject to such termination on June 30, 1954, or on June 30

of any later year unless Congress had before that time appropriated the funds necessary to pay the increase for the fiscal year preceding such date.

Section 2 of the bill would create a committee on fiscal policy for Federal civilian retirement systems, its members being the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget. This committee would survey existing methods of determining and funding the Government's cost of these retirement systems and make report and recommendations to Congress, on or before June 30, 1953, as to the method or methods of financing which will result in the proper discharge of the Government's liabilities.

It is a well recognized fact that the cost of living has materially increased during the past several years. The consumers' price index for March 1952 is 188.0 as contrasted with 169.9 in April 1948 when the annuitants were last granted an increase to partially offset rising living costs. Persons whose chief livelihood is dependent upon a fixed income as is the case in the great majority of annuitants, are hardest hit by this increase. The committee believes that an increase in annuities of those already retired is justified as a partial offset to the decreased purchasing power of the dollar. This view has been adopted by this Congress in its amendments to the Social Security and Railroad Retirement Acts increasing the amount of the benefits payable under these systems.

The Civil Service Commission, while not opposed to the granting of the increase, strongly recommends that any increases to retired employees should be fully covered by advanced appropriations. The committee is not convinced that such requirement is essential. Such method of financing has not been so considered in granting increases under other systems. Under the bill, as amended, payment of the increases would be made from the civil service retirement and disability fund for a possible period of 2 years and would amount to approximately \$62,000,000. This sum will be taken from the more than \$4,500,000,000 cash amount now in this retirement fund. This approach is not to be considered as a precedent for any possible subsequent increase, but is adopted because of the real problems facing these annuitants in meeting living costs on low annuities. It is not considered fair or reasonable that any increases should be deferred pending recommendations to Congress by the proposed committee on fiscal policy of the proper method for cost determination and funding of Government retirement systems.

The Chairman of the Civil Service Commission has on several occasions expressed the opinion that the civil-service retirement system should be financed on a fully funded reserve basis—that is, that there should be sufficient money in the fund to meet all obligations to persons already retired and now in service. The committee is not convinced that this is the proper and best method. For this reason, the bill contains the provision for a special committee of fiscal experts to make a thorough study of the existing methods of financing civilian retirement systems, and to report to Congress not later than June 30, 1953, with recommendations as to the method or methods to be adopted. Since this report is not required until June 30, 1953, the dates appearing in the bill, December 31, 1953, and December 31, have been changed to June 30, 1954, and June 30, to give Congress sufficient time to act on the report.

While the purpose of the bill is to provide an income increase to the annuitants affected, the allowance of such increase would in some instances produce the exact opposite result. Laws providing for pensions for veterans by reason of non-service-connected

disabilities contain a bar against their receipt where the veteran has an income from other sources in amounts of \$1,000 a year if single and \$2,500 if married. The Veterans' Administration classes annuities allowed under the Civil Service Retirement Act as such other income. Therefore, the allowance of this increase would in some cases raise the income above the limitations specified, thereby causing a loss of the entire amount of the pension and a corresponding decrease in total income. The amendment, which permits annuitants to waive the increase granted by this bill, would remedy this situation.

S. 2968 was reported from the committee by unanimous consent of those present.

The ACTING PRESIDENT pro tempore. As the Chair understands, objection is made, and the bill goes over.

RECORDER OF DEEDS OF THE DISTRICT OF COLUMBIA

The bill (S. 2871) to amend section 548 of the act to establish a code of laws for the District of Columbia, approved March 3, 1901, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. KNOWLAND. Mr. President, may we have a brief explanation of this bill?

Mr. CASE. Mr. President, this bill is occasioned by the impasse which developed when the nomination submitted by the President for the position of Recorder of Deeds was reported adversely by the Committee on the District of Columbia of the Senate. The purpose of this bill is to provide for the appointment of a Recorder of Deeds for the District of Columbia by the Commissioners of the District, and to bring the employees of the Office of the Recorder under the civil-service laws and regulations.

Under the present law, the Recorder of Deeds is appointed by the President, by and with the advice and consent of the Senate. The employees of the office are noncivil-service employees. The bill provides that, in order to be eligible for appointment as Recorder, the applicant must have been a resident of the District for at least 5 years next preceding his appointment. However, he would be allowed to retain voting residence in his State. The bill has the approval of the Board of Commissioners and of various citizen groups of the District. It was unanimously reported favorably by the Committee on the District of Columbia.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2871), which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

That section 548 of the Code of Laws for the District of Columbia (D. C. Code, sec. 45-701) is hereby amended to read as follows:

"SEC. 548. Appointment and duties: There shall be a Recorder of Deeds of the District, appointed by the Commissioners of the District of Columbia, who shall record all deeds, contracts, and other instruments in writing affecting the title or ownership of any

real estate or personal property in the District which shall have been duly acknowledged and certified, and who shall perform all requisite services connected therewith, and shall have charge and custody of all the records, papers, and property appertaining to his office. No person shall be appointed Recorder of Deeds unless he has been a resident of the District of Columbia for at least 5 years next preceding his appointment."

SEC. 2. Section 549 of the Code of Laws for the District of Columbia (D. C. Code, sec. 45-702) is amended by inserting after "deputy recorder" the following: "in accordance with the civil-service laws and regulations and to fix his compensation in accordance with the Classification Act of 1949."

SEC. 3. The act of March 3, 1925 (D. C. Code, sec. 45-703), is amended to read as follows: "That the Recorder of Deeds is authorized to appoint a second deputy recorder in accordance with the civil-service laws and regulations and to fix his compensation in accordance with the Classification Act of 1949. The second deputy recorder may do and perform any and all acts which the Recorder is authorized to do, and all such acts by the second deputy recorder shall have the same legality, force, and effect as if performed by the Recorder. The Recorder of Deeds shall appoint all other employees of his office in accordance with the civil-service laws and regulations and fix their compensation in accordance with the Classification Act of 1949. The number of such employees shall not be in excess of the number actually necessary for the proper conduct of his office."

SEC. 4. The Civil Service Commission shall confer a competitive civil-service status upon those employees of the office of the Recorder of Deeds of the District of Columbia performing service in such office on the date of enactment of this act who are citizens of the United States, and who, within 6 months after the date of enactment of this act, are certified by the Commissioners of the District of Columbia, upon recommendation of the Recorder of Deeds, (1) as having been appointed from among the highest available eligibles from an appropriate register of the Civil Service Commission or (2) as having rendered active service in the office of the Recorder of Deeds prior to the date of enactment of this act, and who qualify in such appropriate noncompetitive examinations as the Civil Service Commission may prescribe. Any employee in the office of Recorder of Deeds who fails to meet the requirements prescribed by this section, or who is not certified by the Commissioners of the District of Columbia, or who fails to take or pass the noncompetitive examination prescribed by the Civil Service Commission, may continue to serve for a period of not more than 30 days after the end of such 6-month period or after the establishment of appropriate registers, whichever is the earlier.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill relating to the manner of appointment of the Recorder of Deeds of the District of Columbia, the deputy recorders, and the employees of the Office of Recorder, and for other purposes."

TRANSFER TO ARMY OF BIRMINGHAM GENERAL HOSPITAL, VAN NUYS, CALIF.

The bill (S. 2729) to authorize the Administrator of Veterans' Affairs to transfer, without reimbursement, to the

Department of the Army the Birmingham General Hospital, Van Nuys, Calif., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized to transfer, without reimbursement, to the Department of the Army the Birmingham General Hospital, Van Nuys, Calif., together with all improvements and appurtenant facilities, and such equipment and other personal property as is located on the premises on the date of approval of this act.

TRANSFER OF HOSPITALS, ETC., BETWEEN VETERANS' ADMINISTRATION AND DEPARTMENT OF DEFENSE

The bill (S. 2731) to authorize the transfer of hospitals and related facilities between the Veterans' Administration and the Department of Defense, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Administrator of Veterans' Affairs, and the Secretaries of the Army, the Navy, and the Air Force, with the approval of the President and the Secretary of Defense, are authorized to enter into, and to carry out, agreements for the transfer, without reimbursement, between the Veterans' Administration and the Departments of the Army, Navy, and Air Force, respectively, of hospitals, together with such improvements, appurtenant facilities, equipment, and other related property, as may be agreed upon by the parties at the time of transfer.

ELECTION OF DISTRICT OF COLUMBIA DELEGATES TO NATIONAL POLITICAL CONVENTIONS—BILL PASSED OVER

The bill (S. 3027) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHOEPEL. Mr. President, by request, I ask that the bill go over.

Mr. CASE. Mr. President, reserving the right to object, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement regarding the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the request?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT REGARDING S. 3027, A BILL TO REGULATE THE ELECTION OF DELEGATES REPRESENTING THE DISTRICT OF COLUMBIA TO NATIONAL POLITICAL CONVENTIONS

The purpose of this bill is:

To regulate the election of delegates, alternates, committeemen, and committeewomen representing the District of Columbia to national political conventions, and set up the necessary election machinery in connection therewith.

To establish a Board of Elections of three members to be appointed by the President of the United States.

To provide for the holding of referenda upon the request of the Congress, or the Commissioners of the District, upon public questions.

To provide for independent registration of qualified voters in voting in any referendum.

To regulate expenditures by a candidate, committee, and individuals.

To establish the qualifications of electors: Must be citizen of the United States, 21 years of age or more, resident of the District for at least 1 year before voting, and be without voting privilege in any other part of the United States.

The bill was favorably reported by a unanimous vote of the Committee on the District of Columbia.

The ACTING PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

DISPOSITION OF WAGES AND EFFECTS OF DECEASED SEAMEN

The bill (S. 2324) to amend the law relating to the disposition of wages and effects of deceased seamen in order to require that such wages and effects must be delivered to a legal personal representative of the deceased only when they exceed \$1,000 in value, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4544 of the Revised Statutes is amended by striking out "\$300" wherever it appears therein and inserting in lieu thereof "\$1,000."

AUTHORIZATION OF CERTAIN LAND AND OTHER PROPERTY TRANSACTIONS

The bill (H. R. 4337) to authorize certain land and other property transactions was considered, ordered to a third reading, read the third time, and passed.

Mr. KNOWLAND subsequently said: Mr. President, referring back to calendar 1415, House bill 4337, I see on the calendar that it is mentioned that the bill was reported with an amendment. Was that a typographical error?

The ACTING PRESIDENT pro tempore. The clerk advises the Chair that the bill was reported without amendment. That is an error in the printing of the calendar.

BILLS PASSED OVER

The bill (H. R. 5678) to revise the laws relating to immigration, naturalization, and nationality, and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. MURRAY. Over.

The ACTING PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The joint resolution (S. J. Res. 27) approving the agreement between the United States and Canada relating to the development of the resources of the Great Lakes-St. Lawrence Basin for national security and continental defense of the United States and Canada; providing for making the St. Lawrence seaway self-liquidating, and for other

purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. SCHOEPEL. Mr. President, over, by request, I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

That concludes the calendar.

AMENDMENT OF MUTUAL SECURITY ACT OF 1951

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3086.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 3086) to amend the Mutual Security Act of 1951, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on the motion of the Senator from Texas.

Mr. KNOWLAND. Mr. President, reserving the right to object, and I shall not object, is it the intention of the majority leader to proceed to the consideration of that bill today, or to adjourn over until Monday?

The reason for my request is that, today, I went by the Foreign Relations Committee and asked for a copy of the report. The report has not yet been printed. I was told that the Senate would probably go over to Monday. I do not know that a motion will be made to rerefer the bill, but, at least, I should like to have assurance that it is not going to be taken up this afternoon.

Mr. JOHNSON of Texas. I will say to the able Senator that it is the intention to recess as soon as certain Senators are accommodated who desire to make speeches on other subjects.

Mr. CASE. Reserving the right to object, is it the intention of the acting majority leader to have no session on Friday?

Mr. JOHNSON of Texas. On last Tuesday, in a colloquy on the floor between the minority leader [Mr. BRIDGES] and the junior Senator from Texas, it was agreed that, following the conclusion of the calendar today, the Senate would take up the Mutual Security Act, and then recess until next Monday. All Senators present were given that assurance, and the notice is in the RECORD. The Senator from California did not happen to be present at that time.

Mr. CASE. Then the bill will be considered next Monday?

Mr. JOHNSON of Texas. Yes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to, and the Senate proceeded to consider the bill (S. 3086) to amend the Mutual Security Act of 1951, and for other purposes.

Mr. CARLSON obtained the floor.

Mr. HENDRICKSON. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I am happy to yield to the Senator from New Jersey.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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For actions of May 23, 1952

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OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: House passed foreign-aid bill. Senate passed housing bill. Senate committee ordered reported road-authorization bill. President recommended changes in personnel laws.

HOUSE

1. FOREIGN AID. Passed, 245-110, with amendments H. R. 7005, to extend the Mutual Security Program. By a 221-137 vote, adopted the Vorys amendment to reduce economic aid by \$615,300,000. By a 192-165 vote, agreed to a Vorys amendment to cut the authorization for Asia by \$111,000,000 and separate the military authorization from the Point 4 authorization. Also agreed to an amendment to limit the dollar costs for supplies, equipment, and commodities in the technical assistance program. (pp. 5957-6010.)
2. PERSONNEL. Both Houses received a message from the President transmitting the annual report of the Civil Service Commission for the fiscal year 1951 and making legislative recommendations as follows: (1) Modernization of examining and recruitment procedures as provided in S. 1135; (2) authorization for additional super-grade positions; (3) authority for Federal agencies to assign selected personnel to educational institutions and other organizations for professional and technical training; (4) unemployment compensation coverage for Federal employees (pp. 6012, 5953).
3. VETERANS' BENEFITS. Both Houses received a message from the President recommending a complete study of veterans' benefit programs and their relation to social insurance and other general welfare programs (pp. 6012, 5953).
4. TOBACCO. Received from this Department a proposed bill to modify the minimum acreage allotment provisions regarding Burley tobacco; to Agriculture Committee (p. 6016).
5. IMMIGRATION. House conferees were appointed on H. R. 5678, to revise the immigration and naturalization laws (p. 5955). Senate conferees have been appointed.

6. IMPORT CONTROL. Rep. Eberharter spoke against Sec. 104 of the Defense Production Act, providing for import controls against cheese, etc. (p. 5955).
7. PROPERTY MANAGEMENT. The Expenditures in the Executive Departments Committee submitted a report, "Federal Supply Management (Overseas Survey)" (H. Rept. 1994)(p. 6016).
8. ADJOURNED until Mon., May 26 (p. 6014). LEGISLATIVE PROGRAM for this week, as announced by the Majority Leader: Mon., D. C. bills; Tues., road-authorization bill; Wed. and Thurs., Puerto Rican constitution and probably emergency-powers continuation; Fri., holiday (p. 5956).

SENATE

9. HOUSING. Passed as reported S. 3066, the housing bill, which includes a provision continuing the authorization for USDA housing loans (pp. 5936-9).
10. EMERGENCY POWERS. Passed without amendment S. J. Res. 156, extending for 15 more days certain emergency war powers (p. 5936).
11. ROADS. The Public Works Committee ordered reported (but did not actually report) with clarifying amendments S. 2437, the road authorizations bill, which includes provisions for forest highways and forest development roads and trails (p. 5942).
12. PERSONNEL RETIREMENT. Discussed and postponed action on S. 2968, amending the Civil Service Retirement Act so as to increase the annuity payments received by retired employees (pp. 5952-3).
13. FOREIGN AID. S. 3086, the foreign-aid bill, was made the unfinished business (p. 5950).
14. RECESSED until Mon., May 26 (p. 5953).

BILLS INTRODUCED

15. IMPORT CONTROL; PRICE SUPPORT. S. 3224, by Sen. Mundt, to amend the Tariff Act of 1930, so as to impose a special equalization duty upon agricultural commodities for which price support has been made available and a parity price established; to Finance Committee (p. 5935).
16. PERSONNEL. H. R. 7970, by Rep. Mansfield, to amend the Civil Service Retirement Act of May 29, 1930, to authorize lump-sum payments in lieu of annuities to certain widows of officers and employees to whom such act applies; to the Post Office and Civil Service Committee (p. 6017).
H. R. 7971, by Rep. Morrison, to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended; to Post Office and Civil Service Committee (p. 6017).
H. R. 7972, by Rep. Morrison, to amend the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 6017).
17. LIVESTOCK. H. R. 7975, by Rep. Lyle, to amend section 112 (f) of the Internal Revenue Code to provide that the sale of cattle necessitated by drought conditions shall be deemed an involuntary conversion of property; to Ways and Means Committee (p. 6017).

I should have liked very much to have speeches or statements made today on it. I cannot always know, nor can any other Senator, just how long it will take to consider and dispose of a bill. There is other proposed legislation which I should be happy to have the Senate proceed with, except that it is customary to give advance notice when measures are to be taken up.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Idaho.

Mr. DWORSHAK. Is it not true that, 2 weeks ago, when the senior Senator from California [Mr. KNOWLAND] made a motion to refer the mutual security bill to the Armed Services Committee, the majority leader and other Senators criticized, if they did not condemn, those who supported the motion, charging that it would cause unnecessary delay in the consideration of this important measure? Is that not true?

Mr. McFARLAND. That is true; and it did necessarily delay it. It has also delayed the work of the Senate. Had I known, or had there been any way in the world for me to know, that the defense housing bill would require not more than 30 minutes, we would now be considering the mutual security bill, which has been made the unfinished business. If any Senator desires to speak on it, I shall be glad to have him do so. But I repeat, it is impossible for me to know in advance how much time will be required for the consideration and disposition of a bill. It was stated that it would probably take 2 days to consider and dispose of the defense housing bill.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. DWORSHAK. If Senators who a few weeks ago supported the motion to refer the Mutual Security Act were necessarily delaying action on that vital measure, is it not true that those who today take the position that we can wait until Monday to proceed with the consideration of the pending bill are likewise necessarily delaying its consideration?

Mr. McFARLAND. No, Mr. President. The pending bill is in a different situation. The House is presently considering similar legislation, and quite a number of Senators wanted to wait until the House had acted on it. The House, I presume, will dispose of its bill on the same subject today. That makes the situation altogether different than would ordinarily be the case.

Mr. DWORSHAK. Mr. President, will the Senator yield for a question?

Mr. McFARLAND. I yield.

Mr. DWORSHAK. What is there that can be done to better advantage on Monday or Tuesday than today and tomorrow?

Mr. McFARLAND. Oh, I agree with my distinguished friend that the Senate should be working today.

Mr. DWORSHAK. And also tomorrow, as the majority leader advised us. That notice has resulted in the cancella-

tion of numerous engagements on the part of those of us who have very rare opportunities to return to our respective States, some of which are located 2,500 miles away from Washington. It is unfair to have notice given us that the Senate would be in session Friday, Friday evening, and Saturday, and then to change the entire program.

Mr. McFARLAND. I may say to the Senator from Idaho that the notice which was given in regard to a session on Saturday was not definite. Had it been a definite notice, the Senate would hold a session on Saturday. However, the notice in regard to a Saturday session was qualified. We were to meet on Saturday, if in the meantime we had not disposed of the immigration bill. Possibly the Senator from Idaho knows of a better way of obtaining the presence of Senators on the floor than I have been able to discover, but I venture to say he would find it very difficult to obtain a quorum in the Senate today.

Mr. DWORSHAK. Mr. President, I am merely contending that to change the program now is unfair to Members of the Senate who canceled engagements in their home States in order to be present for the consideration of important business in the Senate. If we are to make a practice of failing to adhere to announced programs, if we not only change a program with respect to a session on Saturday, but also change an announced program for Friday, by sitting not longer than 30 or 40 minutes, then I ask in all sincerity, how shall we be able to rely hereafter upon programs announced by the majority leader? When may we be sure that we are free to make engagements without a probability of having to cancel them later? Can the majority leader advise us in that regard?

Mr. McFARLAND. As the majority leader is able to rely upon Senators, just as the Senator from Idaho may rely upon the majority leader.

Mr. President, I resent any inference that the Senator from Idaho cannot rely upon announcements made by the majority leader, merely because we have taken up a bill and have disposed of it sooner than had been expected. Possibly the distinguished Senator from Idaho would still like to speak on the defense-housing bill, and take all day on it. If so, I should be willing to have him do so.

Mr. DWORSHAK. Mr. President, will the Senator yield at that point?

Mr. McFARLAND. I yield.

Mr. DWORSHAK. I had no intention of casting any reflection upon the integrity or veracity of the majority leader. I was merely trying to assist him in adhering to a rigid schedule designed to expedite the transaction of the business of the Senate, in order that Congress might adjourn before Christmas.

Mr. McFARLAND. The Senator from Idaho has been most helpful in that regard. I may say that if every other Senator were as cooperative as the Senator from Idaho has been, Congress would be able to adjourn soon. I understand his position. Like certain other Sena-

tors, he lives a long way from Washington. Some Senators do not live far away, and when Friday afternoon comes they disappear. If I could have my way about it, I should like at this time to proceed with the consideration of the pending bill.

Mr. ROBERTSON. Will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Virginia.

Mr. ROBERTSON. The majority leader will recall that before the recess was taken on yesterday the junior Senator from Virginia said that the defense housing bill was in his opinion a conservative bill, that our committee were virtually unanimous in reporting it, and that the Senator from Virginia anticipated neither extended debate nor the offering of many amendments to the bill today. Everyone who was present when the Senate recessed last evening, or who has had the opportunity of consulting the program as it appears today in the CONGRESSIONAL RECORD, knows that the majority leader had announced that the mutual security bill would follow disposition of the defense housing bill. I feel that the majority leader is eminently correct in his insistence that we proceed with the consideration of that proposed legislation today.

The majority leader indicated tentatively that, if the consideration of the immigration bill were unduly delayed, there might be a session on Saturday.

However, following the disposition of the immigration bill, he indicated that the Senate would not be in session on Saturday, but that we would today proceed with the consideration of the Mutual Security Act of 1952. I think he is very right in insisting that that program be followed.

Mr. McFARLAND. Mr. President, yesterday afternoon, before the Senate recessed, I expressed the hope that the Senate would make good progress in the consideration of the mutual security bill today, provided the defense housing bill was passed in the meantime. I knew that certain Senators did not desire to speak today on the mutual security bill; and, incidentally, I did not think we would reach a vote on that bill on Saturday. Of course, Mr. President, if those who are in charge of legislation do not want to go forward, I have no way of compelling them to do so. That is all there is to it.

JET TRANSPORT AIRCRAFT

Mr. McCARRAN. Mr. President, last week I had the honor of testifying before the Committee on Interstate and Foreign Commerce, with regard to my bill S. 2344, to provide for the payment of a construction differential subsidy to American flag international air carriers. In the course of my testimony, I took occasion to express my views upon the attitude of the Air Force, so far as their attitude was ascertainable, with respect to the development of jet transport aircraft for civil aviation.

From the Acting Secretary of the Air Force, I have received a letter which I think will prove of substantial interest to many of my colleagues. Therefore, I now ask unanimous consent that this letter may be printed in the RECORD at this point as a part of my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, May 16, 1952.

Hon. PAT McCARRAN,
United States Senate.

DEAR SENATOR McCARRAN: I have carefully noted your testimony appearing in the CONGRESSIONAL RECORD for May 14, which you gave before the Committee on Interstate and Foreign Commerce on the development of jet transport aircraft, and I am writing to you to clarify the Air Force position in this regard.

The Air Force has long recognized the necessity for the United States to retain its position of leadership in civil aviation, and has consistently supported efforts to achieve such leadership. Our position has been that the Department of Defense should cooperate in the development of jet transport aircraft for civil aviation in a manner and to the extent consistent with its overall responsibilities. Such development should not, of course, interfere with existing defense programs, nor involve Department of Defense funds.

It is my understanding that the position of the Department of Defense is that it generally favors adequate prototype jet transport development at any time that it can be carried on without interfering with the critically important military aviation program.

Assuming that such interference is avoidable under existing circumstances, it is my personal belief that steps looking toward the development of a suitable jet transport for civil aviation could be initiated at this time.

Sincerely yours,

R. L. GILPATRICK,
Acting Secretary of the Air Force.

Mr. McCARRAN. Mr. President, the important thing in this letter is the statement that the Department of Defense takes the position of favoring the development of prototype jet transport aircraft; and that the Acting Secretary of the Air Force believes that steps looking toward the development of a suitable jet transport for civil aviation could be initiated at this time.

AMENDMENT TO SECTION 8 OF THE CIVIL SERVICE RETIREMENT ACT OF 1930

Mr. JOHNSTON of South Carolina. Mr. President, I should like to serve notice that I am interested in a bill which I shall ask to have considered by the Senate after the unfinished business has been concluded, or as soon thereafter as the majority leader will permit it to be taken up. I refer to Calendar No. 1408, Senate bill 2968, to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended. It is a bill sponsored by the junior Senator from Florida [Mr. SMATHERS] and the junior Senator from Pennsylvania [Mr. DUFF]. It was reported unanimously by the Committee on Postoffice and Civil Serv-

ice. When it was reached on the last call of the calendar, some Senator objected, and it was stated at that time that we should give the bill a little further study than could be afforded in 5 minutes, to which I agreed. But I believe we can consider and dispose of the bill in 30 minutes at any time the majority leader thinks it can be brought up for consideration.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. BRIDGES. Is it not a bill that will increase tremendously the cost of the Retirement Act?

Mr. JOHNSTON of South Carolina. It will increase the cost approximately \$60,000,000 over a term of years.

Mr. SMATHERS. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SMATHERS. The bill would not require any new appropriation; the money would come out of the funds set aside by the civil service workers. They have a fund of \$4,500,000,000. The provisions of the bill are to apply for a period of 2 years or until a commission is established to decide whether such funds can be used in the future.

Mr. JOHNSTON of South Carolina. It is provided that if the cost of living drops below what it was in April 1948 the increase is automatically cut off.

Mr. BRIDGES. Let me say to the Senator from South Carolina and the Senator from Florida that I listened this morning, on the Appropriations Committee, to testimony concerning the civil service retirement fund, and I have read something about it. According to the information I received, it must be watched carefully, because there is apprehension on the part of many persons who are contributing to civil service retirement as to what may happen to the integrity of the fund if it is not safeguarded. I can think of no more disillusioning thing that could happen to retired civil service employees than to have the fund dissipated. While the bill may be a very fine bill, and for aught I know, it is, I do think it should be carefully considered. I should want to know more about it than I know today.

Mr. JOHNSTON of South Carolina. We have done for railroad men practically the same thing the bill provides, and it has been done for the military.

Mr. SALTONSTALL. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SALTONSTALL. I should like to substantiate what the Senator from New Hampshire has said. The House appropriated \$321,000,000 which is substantially under the amount which will have to be paid out if interest is to be included. Actually, Mr. Ramspeck estimates that \$321,709,000 will be the required cash disbursement from the fund this year. The House appropriated only \$321,000,000; the Senate subcommittee this morning voted to restore \$709,000 to bring the

amount up to the actual cash disbursement.

If I correctly understand the bill, it would add approximately \$62,000,000. We have not appropriated enough money; I think what the Senator wants is perfectly proper, but I believe we should consider the bill very carefully in view of what the House has done with relation to the appropriation this year.

I ask the Senator from New Hampshire if I have correctly stated the situation.

Mr. BRIDGES. I think the Senator from Massachusetts made a correct statement. The point I want to make is that it would be a cruel disillusionment if we should allow the integrity of the fund to be impaired. The Senate committee had to add to the amount appropriated by the House in order to bring it up sufficiently to meet the payments this year. Therefore, while the objective sought is ideal, I think, nevertheless, because of the jeopardy of the fund, I should like to have the bill looked over very carefully.

The VICE PRESIDENT. There is no request pending before the Senate in regard to the bill.

Mr. JOHNSTON of South Carolina. I am not asking at the present time that the bill be considered, but I serve notice on the Senate that I want it taken up and discussed at an early date. We fully realize that the Government will have to pay into the fund sums in the future as in the past, and probably a little bit more; but in large part the fund is provided by Government workers. So far as the workers are concerned, they are not on social security. Some persons are receiving more out of social security, into which they pay 1½ percent, than these Government workers who pay 6 percent are getting. That is the situation which is developing. I feel that every cent we pay into the fund is well spent, because the workers themselves are matching the Government contribution to a much greater extent than is being done by those under the social security.

Mr. BRIDGES. Mr. President, I am not questioning what the Senator is attempting to do. As I said to the Senator from South Carolina and the Senator from Florida, for aught I know at the moment, probably they are fully justified in proposing this amendment to the law. The only thing I wish to emphasize is that the integrity of the civil-service fund, about which we have just heard testimony in the Appropriations Committee, must be preserved. I know it is a burden upon the Government from year to year. I know the House did not appropriate sufficient money to keep it in balance this year, and the Senate might have to even the amount.

For these reasons, when the bill comes before the Senate, I hope the distinguished Senator from Florida, who reported it, and the distinguisher Senator from South Carolina, who is chairman of the committee, will have available all the facts and figures so that we can lay the cards on the table, consider

all the circumstances, and know what we are doing.

Mr. JOHNSTON of South Carolina. That is what we want to do.

Mr. SMATHERS. I may say to the Senator from New Hampshire that we held hearings on this bill on four separate days. We had before us the Chairman of the Civil Service Commission and also the other two members of the Commission. We took testimony from both sides. We wish to maintain the integrity of the civil service fund as much as anyone else does. On the other hand, there is at the moment an inequity resulting to retired annuitants. The problem is rather complicated, and I do not think this is the time to debate it. However, we hope the majority leader will schedule the bill for an early date, so that we can debate it, bring out all the facts, and let the Senate pass upon it.

Mr. McFARLAND. If I had known that the Senate would have been free so early this afternoon, I would have given notice that the bill would be taken up this afternoon. But under the circumstances, that is not feasible.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 21, 1952, the President had approved and signed the following acts:

S. 897. An act for the relief of Mr. and Mrs. Thanos Mellos, Michel Mellos, and Hermine Fahnl; and

S. 2463. An act for the relief of Harvey T. Gracely.

REPORT OF CIVIL SERVICE COMMISSION—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, transmitting the annual report of the Civil Service Commission, for the fiscal year ended June 30, 1951, which was read and referred to the Committee on Post Office and Civil Service.

(For text of President's message, see House proceedings for today.)

PENSION TO CERTAIN VETERANS AND THEIR DEPENDENTS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 473)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, informing the Congress that he had approved the bill (H. R. 4387) to increase the annual income limitations governing the payment of pension to certain veterans and their dependents, and the bill (H. R. 4394) to provide certain increases in the monthly rates of compensation and pension payable to veterans and their dependents, and for other purposes, which was read and referred to the Committee on Finance.

(For text of President's message, see House proceedings for today.)

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. Reports of committees are in order. If there be none, the clerk will state the nominations on the calendar.

GOVERNOR, CANAL ZONE

The legislative clerk read the nomination of Brig. Gen. John States Seybold, United States Army, to be Governor of the Canal Zone.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. McFARLAND. I ask that the nominations in the Navy be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Navy are confirmed en bloc.

ARMED SERVICES

Mr. STENNIS. Mr. President, from the Committee on Armed Services, I report favorably the nominations for promotion or original appointment of approximately 3,200 officers in the armed services.

The highest rank to which any of these officers is being promoted is the grade of major in the Army and lieutenant-junior grade—in the Navy. These nominations have been before the Committee on Armed Services for several days, and no objections have been received to the promotions or appointments of any individuals on the lists. The report of the committee is unanimous.

In order to save the expense of printing, in the Executive Calendar, all the names, I ask unanimous consent that the nominations be confirmed and the President notified.

Mr. President, ordinarily the names would have to lie over 1 day after being reported to the Senate. However, the names having already been published when the nominations were received, they have been before all Members of the Senate and have been before the committee for more than a week. In order to save the \$600 or \$800 which would have to be expended to print all 3,200 names in the executive

calendar, I ask that the usual period of layover be dispensed with, and that the nominations be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nominations are confirmed en bloc.

The President will be immediately notified of all nominations this day confirmed.

VICE ADM. CHARLES T. JOY, UNITED STATES NAVY

Mr. STENNIS. Mr. President, I wish briefly to call the attention of the Senate to the fact that Vice Adm. Charles T. Joy, United States Navy, whose nomination to be Superintendent of the United States Naval Academy has been confirmed today, is the Admiral Joy representing the United Nations, who has been conducting the truce negotiations in Korea for so long. I am sure a word of appreciation is in order for his long patience, his endurance, and the very fine manner in which he has carried on representing the humanities of the United Nations.

I though it appropriate to call his special assignment to the attention of the Senate. He will soon be returning to become Superintendent of the United States Naval Academy, where I am sure he will continue his distinguished career in the naval service with credit to himself.

RECESS TO MONDAY

Mr. McFARLAND. Mr. President, as in legislative session, I move that the Senate stand in recess until 12 o'clock noon next Monday.

The motion was agreed to; and (at 1 o'clock and 5 minutes p. m.) the Senate took a recess to Monday, May 26, 1952, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 23 (legislative day of May 12), 1952:

IN THE NAVY

The following-named women officers of the Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and Supply Corps as indicated, subject to qualification therefor as provided by law:

LINE

Rosemarie S. Armstrong	Dolores H. Henry
Marion L. Baird	Katherine V. Iams
Emily C. Bittner	Marjorie H. Kaff
Dorothy A. Borbridge	Elizabeth A. McClean
Margaret L. Boyce	Catherine J. Miles
Claire M. Clark	Eleanor A. Ovitt
Betty M. Corredera	Elizabeth A. Read
Dorothy J. Darr	Ada Lou Reed
Barbara J. Dobson	Susan K. Reed
Nancy A. Dutton	Marjorie L. Richardson
Ludean S. Earnest	Jeanne M. Schrumpp
Margaret M. Fitzgerald	Virginia D. Smith
Gloria J. Folger	Audrey R. Speckman
Leona J. Fox	Allyn R. Thompson
Jimmie R. Fralio	Alice J. Wardenga
Dorothy H. Funk	Joan E. Zook
Mary A. Hawbolt	

SUPPLY CORPS

Debbie P. Belka	Elizabeth B. McQuis-
Alys G. Dauchess	ton
Betty J. Emery	Patricia E. Schulze
Ruth D. Forman	

CONFIRMATIONS

Executive nominations confirmed by the Senate May 23 (legislative day of May 12), 1952:

GOVERNOR, CANAL ZONE

Brig. Gen. John States Seybold, United States Army, to be Governor of the Canal Zone.

IN THE NAVY

Vice Adm. Charles T. Joy, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Superintendent, United States Naval Academy.

Vice Adm. Robert P. Briscoe, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as commander, Naval Forces, Far East.

Rear Adm. Ralph A. Ofstie, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as a fleet commander.

Capt. Ira H. Nunn, United States Navy, to be Judge Advocate General of the Navy, with the rank of rear admiral, for a term of 4 years.

IN THE ARMY

The nominations of the following-named officers for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States:

Maj. Richard deForest Cleverly, O21862.

Maj. Richard Farris Ludeman, O22233.

Capt. John Baker, O24704.

Capt. Frank Ovid Hamllton, O24532.

Capt. Robert Francis Magulre, O37528.

Capt. John TeSelle, O50055.

The nominations of John Edward Aber et al., for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on May 16, 1952, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Maj. Richard deForest Cleverly, which appears on page 5424, and ending with the name of Margaret Mary Shea, which appears on page 5431.

The nominations of Aloysius F. Bertrand et al., for appointment in the Regular Army, which were confirmed today, were received by the Senate on May 16, 1952, and appear

in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Aloysius F. Bertrand, which appears on page 5423, and ending with the name of Amos D. Glad, which is shown on page 5424.

IN THE NAVY

The nominations of John F. Hardesty et al., for appointment in the Navy, which were confirmed today, were received by the Senate on May 15, 1952, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of John F. Hardesty, which is shown on page 5329, and ending with the name of Samuel F. Leader, which is shown on page 5330.

The nominations of Craig B. Aalyson et al., for appointment in the Navy, which were confirmed today, were received by the Senate on May 12, 1952, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Craig B. Aalyson, which is shown on page 5120, and ending with the name of Marjorie Willson, which is shown on page 5122.

emigration of refugees from Western Europe (S. Rept. 1740)(p. 7201).

HOUSE

9. DEFENSE PRODUCTION. The Banking and Currency Committee was given until midnight Mon. to file a report on H. R. 6546, to amend and extend the Defense Production Act (p. 7281). It is understood that the Committee voted to include amendments to exempt farm labor from the wage-stabilization program and to exempt fresh fruits and vegetables from price control.
10. EMERGENCY POWERS. Passed without amendment H. J. Res. 481, extending certain emergency powers for 15 more days until June 30, 1952 (p. 7281).
11. FARM LABOR. Rep. Peage announced that the Mexican President had signed certain amendments to the Mexican-American Farm Labor Agreement providing, among other things, for the extension of the agreement until December 31, 1952. The agreement otherwise would have expired on June 30. (pp. 7281-2.)
12. TAXATION; EXPENDITURES. Rep. Tollefson spoke against heavy taxation and the high cost of running the Federal Government, and claimed that if the Federal budget is to be balanced it must be by way of reduced expenditures and not through increased tax rates (pp. 7289-90).
13. SOCIAL SECURITY. Rep. McCormack inserted the text of H. R. 7800, which will be taken up on Mon. under suspension of the rules. This bill provides for an increase in old-age and survivors insurance benefits, preserves insurance rights of disabled individuals, and increases amount of earnings permitted without loss of benefits. (pp. 7283-7.)
14. ADJOURNED until Mon., June 16 (p. 7281). LEGISLATIVE PROGRAM, as announced by the majority leader: Mon., consent calendar and the social security amendment bill, roll calls going over until Tues.; private calendar, a bill amending the Communications Act of 1934, and several minor bills; Wed., defense production bill if reported out and a rule obtained; remainder of week undetermined (pp. 7280-1).

BILLS INTRODUCED

15. BUDGET. H. R. 8193, by Rep. McCarthy, to amend section 206 of the Legislative Reorganization Act of 1946, so as to enable the Comptroller General more effectively to assist the Appropriations Committee in considering the budget; to Expenditures in the Executive Departments Committee (p. 7291). Remarks (pp. A3806-7).
16. PERSONNEL. H. R. 8195, by Rep. Murray, to amend the Act of April 23, 1930, relating to a uniform retirement date for authorized retirements of Federal personnel; to Post Office and Civil Service Committee (p. 7291).
17. EMERGENCY POWERS. S. J. Res. 165, by Sen. Eastland, to continue in effect certain statutory provisions for the duration of the national emergency proclaimed December 16, 1950, and 6 months thereafter, notwithstanding the termination of the state of war; placed on the calendar (p. 7202). Remark of author (pp. 7201-2.)

ITEMS IN APPENDIX

18. SMOKEY BEAR. Rep. Lane inserted a Newsweek article discussing Smokey Bear and the Forest Service, and their efforts in preventing and fighting forest fires (pp. A3832-5).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued June 13, 1952

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

For actions of June 12, 1952
82nd-2nd, No. 102

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HIGHLIGHTS: Senate passed defense production bill. Senate confirmed nomination of Duggan to FCA. Senate passed bill to increase civil-service retirement annuities. Senate passed measure continuing emergency powers. Senate debate St. Lawrence waterway.

SENATE

- DEFENSE PRODUCTION.** Passed, 58-18, with amendments S. 2594, to amend and extend the Defense Production Act (pp. 7205-31).
- NOMINATION.** Unanimously confirmed the nomination of Ivy W. Duggan to be FCA Governor (p. 7254).
- CIVIL-SERVICE RETIREMENT.** Passed with amendments S. 2968, to increase annuities under the Civil Service Retirement Act (pp. 7239-41).
- EMERGENCY POWERS.** Passed with amendment H. J. Res. 477, to continue certain emergency powers, and Senate conferees were appointed (pp. 7201-2, 7233-9).
- ST. LAWRENCE WATERWAY.** Began debate on S. J. Res. 27, to authorize the St. Lawrence project (pp. 7231-2, 7242-51).
- BANKING AND CURRENCY.** Passed without amendment H. R. 6909, amending the Federal Reserve Act so as to give the Federal Reserve System authority to purchase direct obligations of the U. S. either in open market or from the Treasury Department to a total of not over \$5 billion (pp. 7241-2). This bill will now be sent to the President.
- PRICE MAINTENANCE.** The Interstate and Foreign Commerce Committee reported without recommendation H. R. 5767, to amend the Federal Trade Commission Act to permit minimum-price agreements, where lawful, on an intrastate basis (S. Rept. 1741) (p. 7201).
- IMMIGRATION.** The Rules and Administration Committee reported with an additional amendment S. Res. 326, to provide for an investigation of problems connected with

82^D CONGRESS
2^D SESSION

S. 2968

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1952

Referred to the Committee on Post Office and Civil Service

AN ACT

To amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 8 of the Civil Service Retirement Act of May
4 29, 1930, as amended, is amended by adding at the end
5 thereof the following:

6 “(c) (1) The annuity of any employee who, before
7 the date of enactment of this amendment, was retired and
8 is receiving or entitled to receive annuity from the fund,
9 shall be increased, effective on the first day of the second
10 month following enactment of this amendment, by \$36 for
11 each full six-month period elapsed between the commencing

1 date of annuity and October 1, 1952: *Provided*, That such
2 increase in annuity shall not exceed the lesser of \$324 or
3 25 per centum of the present annuity: *Provided further*,
4 That the increases to retired employees provided by this
5 subsection shall not operate to increase the annuities of their
6 survivors.

7 (2) The increases in annuity provided by this sub-
8 section shall be paid from the civil-service retirement and
9 disability fund, and shall terminate, without subsequent
10 resumption, under either of the following conditions:

11 “(A) At the end of the second month following the
12 third consecutive month for which the Consumers’ Price
13 Index of the Bureau of Labor Statistics is less than
14 169.9, the index for the month of April 1948. In the
15 event that the Bureau of Labor Statistics revises the
16 basis of calculating the Consumers’ Price Index, it shall
17 immediately furnish to the Commission a conversion
18 factor designed to adjust to the new basis the index
19 figure of 169.9 described herein, and such adjusted index
20 shall be used for the purposes of this subsection.

21 “(B) On June 30, 1954, or on June 30 of any
22 subsequent year, unless before such date an appropria-
23 tion has been made to the civil-service retirement and
24 disability fund for the specific purpose of compensating
25 said fund for the cost, as determined by the Commission,

of increases provided by this subsection during the fiscal year immediately preceding such date.”

SEC. 2. There is hereby created a body to be known as the Committee on Fiscal Policy for Federal Civilian Retirement Systems, which shall be composed of the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget, all ex officio. This Committee shall report to the Congress not later than June 30, 1953. Its report shall cover the following:

(A) A survey of existing methods of determining and funding the Government's portion of the cost of the retirement systems for civilian employees of the United States Government and of the District of Columbia Government;

(B) A recommendation as to the desirability of a uniform method of cost determination and funding; and

(C) A recommendation of the uniform method of cost determination and funding (or varied methods applicable to the several systems, if found desirable), which, in harmony with budget and fiscal policies of the United States, will result in the proper discharge of the Government's liabilities under such retirement systems.

SEC. 3. Section 13 of the Civil Service Retirement Act

1 of May 29, 1930, as amended, is amended by adding at the
2 end thereof the following paragraph:

3 “Any person entitled to annuity from the civil-service
4 retirement and disability fund may decline to accept all or
5 any part of such annuity by a waiver signed and filed with
6 the Commission. Such waiver may be revoked in writing at
7 any time, but no payment of the annuity waived shall be
8 made covering the period during which such waiver was in
9 effect: *Provided*, That, when established by affidavit, per-
10 sonal service rendered the Senate prior to July 1, 1935, as
11 clerk to the Secretary for the Majority or as clerk to the
12 Secretary for the Minority shall be creditable for civil-service
13 retirement purposes on the same basis as other Senate serv-
14 ice: *And provided further*, That, when established by affi-
15 davit, personal service heretofore or hereafter rendered as an
16 employee of a senatorial campaign committee shall be credit-
17 able for civil-service retirement purposes on the same basis
18 as other Senate service.”

Passed the Senate June 12 (legislative day, June 10),
1952.

Attest:

LESLIE L. BIFFLE,
Secretary.

AN ACT

To amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

JUNE 16, 1952

Referred to the Committee on Post Office and Civil Service

I assume that the committee staff has prepared, and that there is available with the committee a resolution providing for a 15-day extension. If the Senator would merely offer that as a substitute for the House joint resolution, rather than the substitute he is now offering, it would seem to me to take care of the situation; or, if the Senator himself, for any reason, would prefer not to offer it, if he could furnish me a copy of the 15-day-extension proposal, I should be very glad to offer it as a substitute for the House joint resolution. It would go to conference, the conferees could accept it, and the House could act upon it. In a matter of this kind I simply do not think it is good legislative procedure to operate with a gun at one's head, on the theory that we must act immediately, without copies of the House and Senate joint resolutions being available, without a copy of the committee report being available, and with a deadline against which to operate.

Mr. EASTLAND. There would still be the deadline when the matter went to conference, of course.

Mr. KNOWLAND. No; there would not be. If a 15-day extension were provided, presumably the House would accept it.

Mr. EASTLAND. Very well. Mr. President, I move to strike out all after the resolving clause, of the House joint resolution and to substitute therefor Senate Joint Resolution 164.

Mr. ANDERSON. I second that motion. That is exactly what I have been trying to have done, and what the Senator from California advocated so ably. We certainly cannot expect the Senate to vote on a House joint resolution when copies of it are not available, when copies of the Senate resolution proposed as a substitute are not available, and when the report of the Senate committee is not available. The most we can hope to do is to pass a temporary extension resolution and send it to conference. I support the motion of the Senator from Mississippi.

Mr. HUMPHREY. Mr. President, is it not necessary for me, in order to clarify the parliamentary situation, to withdraw by motion to lay aside the joint resolution?

The PRESIDING OFFICER. The Chair was about to advise the Senator from Minnesota that his motion was not in order, under the present parliamentary situation. It would have to be a motion to lay aside to a day certain. So the motion of the Senator from Minnesota is not in order.

Mr. HUMPHREY. Very well, I drop that, because I favor the procedure which has been suggested by the Senator from California and the Senator from New Mexico.

The PRESIDING OFFICER. The question is on the motion of the Senator from Mississippi to strike out and insert.

Mr. CASE. Mr. President, reserving the right to object—

Mr. CORDON. I should like to know what is proposed to be inserted.

Mr. CASE. Reserving the right to object, What happens to the amendment

offered by the Senator from South Dakota to strike portions of the original joint resolution?

The PRESIDING OFFICER. The amendment of the Senator from Mississippi will be read for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the preamble and insert the text of Senate Joint Resolution 164, as follows:

Resolved, etc., That the joint resolution entitled "Joint resolution to continue the effectiveness of certain statutory provisions until June 1, 1952," approved April 14, 1952 (Public Law 313, 82d Cong.), as amended by the act approved May 28, 1952 (Public Law 368, 82d Cong.), is further amended by striking out "June 15, 1952" wherever it appears in such joint resolution and inserting in lieu thereof "June 30, 1952."

Mr. CASE. Mr. President, that, of course, puts the deadline over to the 30th of June, and brings us right up against the prospective adjournment or recess of Congress ahead of the national conventions. I anticipate that at that time the gun will again be put at the head of the Congress and we shall be told, when we are about to adjourn, that we must take the joint resolution as it is. Therefore, I suggest to the members of the prospective conference committee that they give consideration to the elimination of section 5. I have gone over it very hurriedly, but I see that it contains something over six pages of detailed references and cross-references to various acts with reference to tax relief and contract relief in one form or another. Reference is made to the War Contractors Relief Act. It runs in my mind that Mr. Lindsay Warren has been very critical of some of the actions which have taken place under the War Contractors Relief Act, and I do not want the situation to arise that, on the 30th of June or a day or two before that time, a resolution will be presented to the Congress for continuation of the War Contractors Relief Act with the suggestion that we pass it without any specific information as to what is done.

I have no objection to the 15-day extension as a general proposition, but I think the conference should be on notice that if they come back and ask for a further extension, section 5 should be eliminated.

Mr. President, if the parliamentary situation calls for my withdrawing my amendment, I shall withdraw it.

The PRESIDING OFFICER. That would be helpful.

Mr. CASE. Then I withdraw it at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. EASTLAND].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read the third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "Joint resolution continuing the effectiveness of certain statutory provisions until June 30, 1952."

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 164 is indefinitely postponed.

Mr. EASTLAND. Mr. President, I move that the Senate insist on its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. EASTLAND, and Mr. FERGUSON conferees on the part of the Senate.

INCREASE IN FEDERAL EMPLOYEE ANNUITIES

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2968, to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with amendments.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be vacated, and that further proceedings under the call be dispensed with.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Without objection, it is so ordered.

The clerk will proceed to state the committee amendments.

The amendments of the Committee on Post Office and Civil Service were, on page 2, line 21, after the word "On", to strike out "December 31, 1953" and insert "June 30, 1954"; in line 22, after the word "on", to strike out "December 31" and insert "June 30", and on page 3, after line 24, to insert a new section 3, as follows:

SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

So as to make the bill read:

Be it enacted, etc., That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following:

"(c) (1) The annuity of any employee who, before the date of enactment of this amendment, was retired and is receiving or entitled to receive annuity from the fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full 6-month period elapsed between the commencing date of annuity and October 1, 1952: *Provided*, That such increase in annuity shall not exceed the lesser of \$324 or 25 percent of the present annuity: *Provided further*, That the increases to retired employees provided by this subsection shall not operate to increase the annuities of their survivors.

"(2) The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, under either of the following conditions:

"(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.

"(B) On June 30, 1954, or on June 30 of any subsequent year, unless before such date an appropriation has been made to the civil-service retirement and disability fund for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal year immediately preceding such date."

SEC. 2. There is hereby created a body to be known as the Committee on Fiscal Policy for Federal Civilian Retirement Systems, which shall be composed of the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget, all ex officio. This Committee shall report to the Congress not later than June 30, 1953. Its report shall cover the following:

(A) A survey of existing methods of determining and funding the Government's portion of the cost of the retirement systems for civilian employees of the United States Government and of the District of Columbia government;

(B) A recommendation as to the desirability of a uniform method of cost determination and funding; and

(C) A recommendation of the uniform method of cost determination and funding (or varied methods applicable to the several systems, if found desirable), which, in harmony with budget and fiscal policies of the United States, will result in the proper discharge of the Government's liabilities under such retirement systems.

SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

The amendments were agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. BRIDGES. Mr. President, before any further amendments are offered I think it would be very helpful if the distinguished Senator from Florida [Mr. SMATHERS], who I understand handled the bill in the subcommittee, under the direction of the distinguished Senator from South Carolina [Mr. JOHNSTON], would give us a general picture of the purpose of the bill, what it is proposed to do, and what the cost will be.

Mr. SMATHERS. Mr. President, in answer to the request of the distinguished minority leader let me say that it is a very simple, and I believe fair, bill. It does not call for any additional appropriations this year.

The bill is designed to give to retired Federal workers sufficient income so that they may be able to live in decency and under healthful conditions. It is a recognition that there has been an increase in the cost of living. It is a recognition that hertofore the Congress has recognized that retired workers under the Railroad Retirement System were entitled to an increase, and gave them an increase. It is a recognition that Congress gave to retired members of the Armed Services an increase in their annuities. Congress has also given increased annuities to persons in the Foreign Service.

This bill merely sets the same standard for retired Federal workers. It authorizes them to take from their reserve fund, of \$4,700,000,000, \$31,000,000 this year, which will be enough to give to the now retired Federal workers an increase of not more than \$324 a year. The Bureau of Labor Statistics says that it costs something like \$1,900 a year for an old couple to live in decency and in a healthful condition. However, the income which they are receiving today under the retirement system is only \$1,153; and if they were to receive the maximum increase provided in the bill they would still be \$600 short of what the Bureau of Labor Statistics says is needed by an old couple in order adequately to live under the present high prices.

Very briefly, that is what the bill provides for.

Mr. BRIDGES. I should like to ask the distinguished Senator from Florida a question. Can he tell the Senate the termination date of this legislation? I understand that the approach to this subject is that this is a temporary measure, based upon the cost of living index. We hope it will be temporary.

Mr. SMATHERS. There are two features which make it temporary. First, if the cost-of-living index, which is now 188, goes back to the level at which it stood in 1948, this increase will be automatically done away with. If, on the other hand, the cost-of-living index does not go back to where it was in 1948, the bill will automatically come to an end in June 1954, unless the Congress, by affirmative act, and by appropriation, sees fit to continue it. Two acts would be necessary to continue it, namely, an

authorization act and an appropriation act.

Mr. BRIDGES. I have been asked another question which I have been unable to answer. I should like to have the Senator's explanation. I am not questioning the date, but why was the date of April 1948 selected as the date with respect to the index?

Mr. SMATHERS. That was the date on which the last increase was granted to members of the Federal civil-service system.

Mr. BRIDGES. So it is based upon a previous act, rather than any local condition which may have existed with respect to the index figure.

Mr. SMATHERS. That was the last date on which they received an increase.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. JOHNSTON of South Carolina. We passed a somewhat similar bill at that time granting increases practically along the same lines as those proposed in the present bill.

Mr. BRIDGES. Mr. President, will the Senator explain another feature of the bill?

Mr. SMATHERS. I shall be glad to do so.

Mr. BRIDGES. The bill creates a committee, does it not?

Mr. SMATHERS. Yes.

Mr. BRIDGES. What is the purpose of the committee?

Mr. SMATHERS. A committee is provided for in the bill, which is to be established to determine whether or not this retirement system, the railroad retirement system, and the social-security retirement system should be fully funded systems. The great point in issue with respect to all these systems seems to be whether or not the retirement systems should at all times have sufficient money in reserve so that, if theoretically everyone should suddenly retire at the same time and claim the full amount, the necessary amount of money would be on hand. There is a dispute as to whether or not the system should be operated in that manner. There are many responsible persons on both sides of the question. So in the bill we provide for a committee to study the retirement systems and recommend to the Congress just what standard of funding should be followed in connection with all the retirement systems.

Mr. BRIDGES. My reason for the questions is to have a clear explanation in the RECORD of the purpose and intent of the bill, the basis on which the formula is fixed, and the termination date, or the basis of termination, if it is to be terminated.

Generally speaking, while I dislike to see the expenditures of Government go up, and while I do everything in my power to keep them down, I believe that inasmuch as we have adjusted the annuities of other groups, it is fair that the annuities of this group be adjusted. I shall support the bill, in view of the explanations which have been made.

The PRESIDING OFFICER. All the committee amendments having been dis-

posed of, the bill is open to further amendment.

Mr. CHAVEZ. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 9, after line 8, it is proposed to insert the following: "Provided, That, when established by affidavit, personal service rendered the Senate prior to July 1, 1935, as clerk to the secretary for the majority, or as clerk to the secretary for the minority, shall be creditable for civil service retirement purposes on the same basis as other Senate service."

Mr. SMATHERS. Mr. President, as chairman of the subcommittee, I accept that amendment.

Mr. CHAVEZ. Mr. President, the purpose of this amendment is to pick up 2 years and 5 months of service for one person, whose payroll status, through a technicality, was not such as to give credit under the Retirement Act, but who was actually serving the United States Senate as clerk to the secretary for the majority. The job was created July 1, 1935, and this service was rendered prior to that time.

A precedent for such action would be the employees in the official reporters' office, Public Law 98, Eightieth Congress, June 21, 1947.

Mr. President, I may say to the Senator from New Hampshire that I believe the amendment could apply to a case I have in mind, although I am not certain about it. In 1935 the Senate created the positions of secretary to the majority and secretary to the minority. My amendment covers only the young lady who was secretary to the majority. I do not know the name of whoever was the secretary of the minority, but I would have no objection to including that person.

Mr. SMATHERS. Mr. President, I have talked it over with the Senator from Illinois [Mr. DIRKSEN]. It was our intention to accept the amendment and that it would apply with regard to both sides.

Mr. CHAVEZ. I want it to apply to both sides.

Mr. BRIDGES. If that is the understanding, very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there being no further amendment to be proposed the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. The junior Senator from Illinois wishes to amend the amendment offered by the Senate

from New Mexico and adopted by the Senate.

Mr. DIRKSEN. I believe certain language should be incorporated in the amendment.

Mr. CHAVEZ. That is what I had in mind.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senate reconsider its action in adopting the amendment offered by the Senator from New Mexico and ordering the engrossment and third reading and the passage of the bill, and that the amendment offered by the Senator from New Mexico be amended by adding certain language, which I offer as an amendment to the amendment offered by the Senator from New Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will state the amendment.

The CHIEF CLERK. The Senator from Illinois [Mr. DIRKSEN] proposes to amend the amendment proposed by the Senator from New Mexico [Mr. CHAVEZ], by adding the following: "Provided further, That, when established by affidavit, personal service heretofore or hereafter rendered as an employee of a senatorial campaign committee shall be creditable for civil-service retirement purposes on the same basis as other Senate service."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DIRECT PURCHASE AUTHORITY FOR FEDERAL RESERVE BANKS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1551, H. R. 6909.

The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 6909) to amend section 14 (b) of the Federal Reserve Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MAYBANK. Mr. President, the bill before us provides for a temporary extension of the authority of the Federal Reserve Board to buy bonds directly from the Treasury for a temporary period. The bill was unanimously reported by the committee.

The Federal Reserve banks have authority under existing law to buy directly

from the Treasury, rather than in the open market, direct obligations of the United States, or obligations fully guaranteed by the United States, in an amount not to exceed \$5,000,000,000 held at any one time. The Federal Reserve banks had such authority without limitations on holdings from 1913 to 1935. Temporary authority was provided by the Second War Powers Act of 1942, which authority was extended by the Congress in 1944, 1945, 1946, 1947, and 1950. Under the terms of the present law the authority will expire on June 30, 1952.

The direct purchase authority furnishes the Treasury an important instrument for smoothing out the effect of short-run peaks in Treasury cash receipts and disbursements so that the disturbing effect of their flow through the banking system may be held to a minimum. During concentrated tax-collection periods it is the practice of the Treasury to let its balances at the Federal Reserve banks fall to relatively low levels immediately prior to the time tax receipts begin to be received. By the use of the direct purchase authority the Treasury avoids withdrawals from Treasury deposit accounts with its commercial bank depositories at a time when they would exert pressure on the reserves of such banks in addition to that occasioned by withdrawals made by other depositors for tax-payment purposes.

In addition, lacking the direct purchase authority, the Treasury would have to maintain larger cash balances than is now the case in order to be in a position to meet any unanticipated redemptions of public-debt obligations payable on demand and without notice at the option of the owner, or other large cash outlays of which the Treasury had not received previous notice. Your committee is informed that an increase in the amount of cash held for these payments would entail a higher amount of outstanding public debt. While the authority is used only occasionally, it is apparent that the direct purchase authority represents an essential fiscal mechanism to the Treasury in handling distribution and utilization of its cash balances and in holding them to a minimum.

The Treasury Department and the Board of Governors of the Federal Reserve System both recommend that the authority be made permanent; but your committee feels that such authority and the utilization of this authority should be subject to periodic review and that, therefore, the authority should be granted for a period of 2 years. At the end of this time the Treasury Department will report on the operation of the direct purchase authority when a request is made for a renewal of the authority.

The committee urges approval of this measure.

Mr. President, I ask unanimous consent that there may be printed as a part of my remarks the table appearing on page 2 of the committee report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Direct purchase authority holdings of special short-term Treasury certificates by the Federal Reserve banks, 1942 to present

1942:		
June 16	-----	\$58,000,000
June 19	-----	70,000,000
June 20	-----	47,000,000
June 22	-----	34,000,000
June 23	-----	94,000,000
Sept. 15	-----	324,000,000
Sept. 16	-----	189,000,000
Sept. 17	-----	286,000,000
Sept. 18	-----	76,000,000
Sept. 19	-----	53,000,000
Nov. 27	-----	139,000,000
Nov. 28	-----	329,000,000
Nov. 30	-----	422,000,000
Dec. 1	-----	98,000,000
Dec. 10	-----	16,000,000
Dec. 15	-----	145,000,000

1943:		
Jan. 29	-----	115,000,000
Jan. 30	-----	202,000,000
Mar. 2	-----	3,000,000
Mar. 4	-----	174,000,000
Mar. 5	-----	354,000,000
Mar. 6	-----	543,000,000
Mar. 8	-----	591,000,000
Mar. 9	-----	648,000,000
Mar. 10	-----	632,000,000
Mar. 11	-----	790,000,000
Mar. 12	-----	940,000,000
Mar. 13	-----	1,043,000,000
Mar. 15	-----	1,302,000,000
Mar. 16	-----	1,250,000,000
Mar. 17	-----	981,000,000
Mar. 18	-----	836,000,000
Mar. 19	-----	778,000,000
Mar. 20	-----	768,000,000
Mar. 22	-----	603,000,000
Mar. 23	-----	700,000,000
Mar. 24	-----	512,000,000
Mar. 25	-----	432,000,000
Mar. 26	-----	384,000,000
Mar. 27	-----	304,000,000
Mar. 29	-----	104,000,000
Mar. 30	-----	40,000,000
June 15	-----	805,000,000
June 16	-----	659,000,000
June 17	-----	350,000,000
June 18	-----	256,000,000
June 19	-----	212,000,000
June 20	-----	212,000,000
Sept. 8	-----	11,000,000
Sept. 9	-----	126,000,000
Sept. 10	-----	243,000,000
Sept. 11	-----	246,000,000
Sept. 12	-----	246,000,000
Sept. 13	-----	214,000,000
Sept. 14	-----	179,000,000
Sept. 15	-----	424,000,000
Sept. 16	-----	258,000,000

1944 ----- None

1945:		
Mar. 15	-----	4,000,000
Dec. 4	-----	107,000,000
Dec. 5	-----	318,000,000
Dec. 6	-----	374,000,000
Dec. 7	-----	484,000,000
Dec. 8	-----	484,000,000
Dec. 10	-----	202,000,000

1946 ----- None

1947 ----- None

1948 ----- None

1949:

June 15	-----	220,000,000
June 16	-----	127,000,000

1950:

Mar. 15	-----	108,000,000
June 15	-----	105,000,000

1951:

June 1	-----	100,000,000
Dec. 17	-----	320,000,000

1952:

Jan. 22	-----	55,000,000
Jan. 23	-----	22,000,000

Mr. DIRKSEN. Mr. President, if my good friend from South Carolina will yield, I should like to say that this is an authority which the Federal Reserve System enjoyed from 1913 to 1935, and which was reinstated in 1942. Because of the volume of the tax collections and the peaks and valleys which appear in the Treasury balances, it is necessary to maintain this power to smooth out, so to speak, the periods.

I agree with the Senator from South Carolina.

This is only a temporary extension, as I understand.

Mr. MAYBANK. That is correct.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield.

Mr. SALTONSTALL. Is the purpose of the bill to permit the Federal Reserve banks to buy from the Treasury and to permit the Treasury, when there is a deficit or when it is low in cash, to sell directly to the Federal Reserve banks?

Mr. MAYBANK. If there is a temporary deficit. If the Senator from Massachusetts will change the word "deficit" to the words "temporary deficit," he will be eminently correct.

Mr. SALTONSTALL. It is a part of financing the deficit of the Government?

Mr. MAYBANK. That is correct.

Mr. DIRKSEN. It is also true that it makes it unnecessary for the Treasury to go to all the trouble of pulling down its deposit accounts all over the country.

Mr. MAYBANK. Yes. They could go into every Federal Reserve bank to do so if they so desired.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

APPROVAL OF UNITED STATES-CANADIAN AGREEMENT RELATIVE TO GREAT LAKES-ST. LAWRENCE BASIN

Mr. MOODY. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 27.

The PRESIDING OFFICER. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 27) approving the agreement between the United States and Canada relating to the development of the resources of the Great Lakes-St. Lawrence Basin for national security and continental defense of the United States and Canada; providing for making the St. Lawrence seaway self-liquidating; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan.

Mr. CONNALLY. Mr. President, this joint resolution was not reported by the Committee on Foreign Relations with any recommendation whatever. It was a tie vote in committee, and under pressure the committee finally agreed to report it without recommendation. Is the motion which has been made a motion to have the Senate take up the joint resolution at once?

Mr. MOODY. That is correct; the motion is one to have the Senate proceed to consider the joint resolution.

Mr. CONNALLY. Ordinarily I could make a point on the question of consideration, but I shall not do so, because we shall vote on the question of taking up the joint resolution.

Mr. MOODY. I thank the Senator.

Mr. CONNALLY. It is not proposed to proceed with consideration of the joint resolution today, is it?

The PRESIDING OFFICER. The question is on agreeing to the motion for the present consideration of the joint resolution. [Putting the question.]

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 27) approving the agreement between the United States and Canada relating to the development of the resources of the Great Lakes-St. Lawrence Basin for national security and continental defense of the United States and Canada; providing for making the St. Lawrence seaway self-liquidating; and for other purposes.

Mr. GREEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Rhode Island desire to be heard at this time?

Mr. GREEN. I desire to make a few remarks on this measure.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

1. BACKGROUND OF THE PROPOSED LEGISLATION

Mr. GREEN. Mr. President, plans for the United States and Canada jointly to develop the navigation and power resources of the St. Lawrence River have been actively considered for 50 years. Proposed legislation to authorize the United States to participate in St. Lawrence development has been before Congress for the past 20 years. Due to the opposition of sectional interests, this proposed legislation has not been enacted. The closest it came to enactment was in 1934, when a treaty was submitted to the Senate for ratification. A majority of the Senators at that time voted in favor of the treaty, but the two-thirds majority necessary for ratification was not secured.

In 1941 there was negotiated between the United States and Canada an executive agreement covering joint development of the St. Lawrence River. This agreement, in order to become effective, requires simple majority approval by both Houses of Congress. The measure before us, Senate Joint Resolution 27, provides basically for approving, with certain modification, the 1941 executive agreement with Canada and for initiating construction of the St. Lawrence project.

2. GEOGRAPHY AND ENGINEERING PLANS

The St. Lawrence River forms the international boundary between Canada and the United States for a distance of 114 miles, commonly referred to as the Thousand Islands and International Rapids sections of the river. Engineering agreements between the two countries provide that navigation and power facilities will be provided by constructing a large dam with twin power stations at

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued July 2, 1952
For actions of July 1, 1952
32nd-2nd, No.117

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HIGHLIGHTS: House passed bill to exempt horticultural-products transportation from ICC. Ready for President. House committees reported bills to extend rural-housing program and increase retirement annuities. Senate debated price-maintenance bill.

HOUSE

1. TRANSPORTATION. Passed without amendment S. 2357, to make clear that the transportation of horticultural commodities is included in the agricultural exemption from ICC regulation (pp. 8815-20). This bill will now be sent to the President.
2. TRAVEL EXPENSES. Passed without amendment S. 2545, permitting the advance of travel and subsistence expenses to Government employees by one agency for the convenience of another (pp. 8838-9). This bill will now be sent to the President.
3. FLOOD CONTROL. Passed without amendment H. R. 7817, to increase by \$35,000,000 emergency authorizations available to the Army Engineers (pp. 8810-14).
4. HOUSING. The Banking and Currency Committee reported with amendments S. 3066, to amend the housing laws (H. Rept. 2424)(p. 8853). One provision of this bill extends the rural-housing program, administered by USDA, for one additional year.
5. CIVIL-SERVICE RETIREMENT. The Post Office and Civil Service Committee reported without amendment S. 2968 and H. R. 8373, to increase the annuities of certain retired employees and to provide for a study of the civil-service retirement system (H. Repts. 2407 and 2409)(p. 8853).
6. EDUCATION. The Education and Labor Committee reported without amendment H. R. 7494, to encourage the educational fine arts programs in State and land-grant colleges and other institutions (H. Rept. 2428)(p. 8853).

7. SOCIAL SECURITY. House conferees were appointed on H. R. 7800, to increase old-age and survivors benefits under the Social Security Act (p. 8809). Senate conferees were also appointed (p. 8900.).
8. DEFENSE DEPARTMENT APPROPRIATION BILL, 1953. House conferees were appointed on this bill, H. R. 7391 (p. 8821)... Senate conferees have been appointed.
9. ADMINISTRATIVE LAW. The Judiciary Committee ordered reported (but did not actually report) S. 2546, to provide for attorneys' liens in proceedings before the courts or other departments and agencies of the U. S. (p. D678).
10. PRICE MAINTENANCE. The Judiciary Committee ordered reported (but did not actually report) S. 719, to establish beyond doubt that, under the Robinson-Patman Act, it is a complete defense to charge of price discrimination for the seller to show that its price differential has been made in good faith to meet the equally low price of a competitor (p. D678).
11. IMMIGRATION. The Judiciary Committee re-referred to subcommittee, for further consideration, H. R. 7376, to authorize immigration of 300,000 European refugees (p. D678).
12. INDIANS. Passed as reported H. J. Res. 8, to authorize a study to determine the qualifications of Indians to manage their own affairs without Government supervision or control (pp. 8821-7).
13. REORGANIZATION. Rep. Dolliver reviewed the progress that has been made in re-organizing the Executive Branch (pp. 8840-2).
14. RURAL LIFE. Rep. Harvey inserted and commended a newspaper editorial supporting the new National Committee on Religion and Rural Life (p. 8839).

SENATE

15. VETERANS' PREFERENCE. The Post Office and Civil Service Committee reported without amendment S. 3200, extending the benefits of the Veterans' Preference Act of 1944 to persons serving in the armed forces after the termination of war between the U. S. and Japan and prior to July 2, 1955 (S. Rept. 2047) (p. 8897).
16. PUERTO RICO. Adopted the conference report on H. J. Res. 430, approving the Puerto Rico constitution (pp. 8905-6). This measure will now be sent to the President.
17. NOMINATIONS of Anthony Arpaia, Martin Elliott, and Charles Mahaffie to be Interstate Commerce Commissioners, and Jonathan Bingham to be Deputy Administrator for Technical Cooperation, were confirmed (p. 8941).
18. PERSONNEL. The Post Office and Civil Service Committee ordered reported (but did not actually report) S. 2484, to improve the efficiency of the U. S. Civil Service and to deny benefits, under the civil service and other retirement systems, to persons convicted of certain felonies (p. D675).
19. ELECTRIFICATION. Sen. Kefauver inserted a resolution adopted by the 1952 annual convention of the Tennessee Industrial Union Council favoring public power (pp. 8896-7).
20. ST. LAWRENCE SEAWAY. Received from the President the application to the International Joint Commission for approval of certain works in connection with the St. Lawrence seaway and power project; to Foreign Relations Committee (p. 8896).

INCREASES IN ANNUITIES PAID TO RETIRED CIVIL SERVICE EMPLOYEES

JULY 1, 1952.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed.

Mr. DAVIS of Georgia, from the Committee on Post Office and Civil
Service, submitted the following

REPORT

[To accompany S. 2968]

The Committee on Post Office and Civil Service, to whom was
referred the bill (S. 2968) to amend section 8 of the Civil Service
Retirement Act of May 29, 1930, as amended, having considered the
same, report favorably thereon without amendment and recommend
that the bill do pass.

STATEMENT

The bill, S. 2968, will provide for an increase in civil-service retire-
ment and disability annuities paid to employees who retired on or
before April 1, 1952. This increase will amount to \$36 for each full
6 months elapsed between the commencing date of the annuity and
October 1, 1952, with a limitation of \$324 or 25 percent of the present
rate, whichever is lesser. The increase will be effective the first day
of the second month after the enactment of the bill. No provision is
made under the bill for increases in annuities for those entitled to
present or future survivors' annuities or for Federal employees who
retire subsequent to April 1, 1952.

The increase will terminate on June 30, 1954, or on June 30 of any
subsequent year unless Congress has before that date appropriated
the necessary funds with which to pay the increase for the preceding
fiscal year. There is a second provision for termination of these
increases. This termination will occur at such time as the Consumers'
Price Index of the Bureau of Labor Statistics for three consecutive
months is lower than the index for April 1948.

Section 2 of the bill creates a Committee on Fiscal Policy for Federal
Civilian Retirement Systems. The Secretary of the Treasury, the
Chairman of the Board of Governors of the Federal Reserve System,

2 INCREASES IN ANNUITIES TO RETIRED CIVIL SERVICE EMPLOYEES

and the Director of the Bureau of the Budget are designated as members of the Committee.

It shall be the responsibility of this committee to examine into the various Federal civilian retirement systems and submit a report to the Congress not later than June 30, 1953, covering the following:

(a) A survey of existing methods of determining and funding the Government's portion of the cost of the retirement systems for civilian employees of the United States Government and of the District of Columbia government;

(b) A recommendation as to the desirability of a uniform method of cost determination and funding; and

(c) A recommendation of the uniform method of cost determination and funding (or varied methods applicable to the several systems, if found desirable), which, in harmony with budget and fiscal policies of the United States, will result in the proper discharge of the Government's liabilities under such retirement systems.

WAIVER OF INCREASE IN ANNUITIES

Section 3 of the bill permits annuitants to waive increases granted by this bill. This provision is to prevent the occurrence of situations whereby veterans receiving nonservice connected pensions would be denied their pension if the civil-service annuity, as a result of this increase, exceeded \$1,400 a year for such single veterans or \$2,700 a year if married.

FINANCING THE INCREASES

Under the bill the increases will be paid out of the civil service retirement and disability fund for a period not exceeding 2 years. They will not be continued beyond the 2-year period unless appropriations are made to the civil service retirement and disability fund for the specific purpose of compensating the fund for the cost (as determined by the Civil Service Commission) of the increases in annuities provided in this bill.

The increased payments to annuitants under this bill for the 2 years when it will be borne by the fund will amount to \$62,000,000. If this increase is continued by means of appropriations as authorized by the bill, there will be an additional cost of \$218,000,000.

NEED⁷ FOR INCREASES

Need for the increases which this bill provides stems from the sharp increase in the cost of living since the last increase in annuities for retired Federal employees provided in the Retirement Act Amendments of 1948. The Consumers' Price Index for April 1952 is 188.7, as contrasted with 169.9 in April 1948, the date of the last increase in retirement annuities.

Studies by the Department of Labor in 1950 developed that for a couple to maintain an adequate standard of living would require an income of \$1,800 a year or \$150 a month. Annuities of retired Federal employees average \$96 a month or two-thirds of what is considered adequate.

Employees retired on disability average \$76 a month or one-half of the adequate amount.

The committee believes the increases provided in this bill will fill a critical need for the retired employees, and that it is in harmony with the recent policy of the Federal Government increasing annuities.

The committee points out that with respect to annuities for which the Federal Government establishes the policy, Congress has already approved the principle of increases because of the rising cost of living for the military, veterans, social-security benefits, railroad retirement pensions, and Foreign Service employees.

VIEWS OF DEPARTMENTS

The Chairman of the Civil Service Commission, in opposing this legislation, pointed out that all persons with fixed incomes were affected by the rise in the cost of living. Granting increases to retired Federal employees would set them up as a class with special treatment. He pointed out that there were more than 4 million families in the country with annual incomes of less than \$1,000 a year. The average annuity paid to Federal retired civil service employees is about \$1,200 a year.

The Chairman of the Commission expressed further concern over the effect of paying increases out of the civil service retirement and disability fund which he declared to have \$5 billion more in liabilities than in assets. He also stressed the rapid rate of increase of liabilities when compared with the rate of increase in assets, stating that this is a dangerous trend and could jeopardize the civil-service retirement system.

He advocated that if annuities were granted to these retired employees that they be granted only if appropriations were made therefor and where the increased annuities would not exceed \$1,800 a year.

The Assistant Director of the Bureau of the Budget, who testified on this legislation, approved it with certain amendments which he felt necessary if the increases provided in the bill were adopted. He stressed particularly the need for a comprehensive survey of all Federal retirement systems, civilian and military, and stated that such a study should—

include a thorough actuarial investigation of the nature and cost, as well as the financing, of benefits under all the retirement and related benefit systems for Federal personnel.

In stressing the importance of such a study, he stated that it should be made whether or not the Congress increased annuities in order that it may provide for future adjustments and improvements in our Federal retirement systems.

It is the view of the committee that despite these objections the need for granting increases in the annuities of Federal employees already retired is an overriding consideration and one which should be approved in this Congress.

The reports of the Civil Service Commission and the Bureau of the Budget on a companion House bill follow:

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UNITED STATES CIVIL SERVICE COMMISSION,
Washington 25, D. C., June 16, 1952.

Hon. TOM MURRAY,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. MURRAY: I am referring further to your letter of May 24, 1952 relative to H. R. 7971, a bill to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The bill would provide for an increase in the annuity of each employee who was retired on or before April 1, 1952, and who on the date of enactment is receiving, or entitled to receive, annuity from the civil service retirement and disability fund. This increase would amount to \$36 for each full 6 months elapsed between commencing date of annuity and October 1, 1952, with a limitation of \$324 or 25 percent of present rate, whichever is lesser. The increase would be effective the first day of the second month after enactment. The bill does not increase annuities to survivors now on the roll or to those added to the roll in the future.

This stipulated increase would terminate, without subsequent resumption, at the end of the second month after the Consumers' Price Index of the Bureau of Labor Statistics had been, for three consecutive months, less than the index for April 1948. This figure is 169.9 and will be used as the standard, unless the Bureau revises its calculation basis in which event the proper conversion factor will be used in the determination.

The increase would also be subject to such termination on June 30, 1954, or on June 30 of any later year unless Congress had before that time appropriated the funds necessary to pay the increases for the fiscal year preceding such date.

There would be created a Committee on Fiscal Policy for Federal Civilian Retirement Systems, its members being the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Director of the Bureau of the Budget. This Committee would survey existing methods of determining and funding the Government's cost of these retirement systems and make report and recommendations to Congress, on or before June 30, 1953, as to the method or methods of financing which will result in the proper discharge of the Government's liabilities.

Section 3 of the bill would permit annuitants to waive any or all of their annuities, which waiver would be revokable. While the purpose of the bill is to provide an income increase to the annuitants affected, the allowance of such increase would in some instances produce the exact opposite result. Laws providing for pensions for veterans by reason of non-service-connected disabilities contain a bar against their receipt where the veteran has an income from other sources in amounts of \$1,400 a year if single, and \$2,700 if married. The Veterans' Administration classes annuities allowed under the Civil Service Retirement Act as such other income. Therefore, the allowance of this increase would in some cases raise the income above the limitations specified thereby causing a loss of the entire amount of the pension, and a corresponding decrease in total income. The proposal would remedy this situation.

The justification for increases in annuities is based upon a recognized higher cost of living. The Bureau of Labor Statistics recently estimated the annual income necessary to support a family of two persons over 65 at a modest but adequate level of urban living. It found that a modest level of living for a retired elderly couple costs between \$1,700 and \$1,800 a year at October 1950 price levels in nearly half of the 34 cities for which it made estimates. The figure varied from city to city—for example \$1,908 a year in Milwaukee, \$1,863 a year in Washington, D. C., and \$1,602 in New Orleans.

In view of these findings, the Commission sees no justification for increasing annuity rates to more than \$1,800 and strongly urges that the bill be changed to contain this limitation. As of June 30, 1951, 21,080 of a total of 166,680 retired employees were receiving annuities of \$1,800 or more.

As of June 30, 1951, there was in the civil service retirement and disability fund the sum of \$4,419,927,112.89 in cash and investments. This is, of course, a substantial sum, but creates a false impression or sense of security when examined alone. On the other side of the ledger, we find that the fund had on that date liabilities of \$9,294,927,112.89. This results in an excess of liabilities over assets (or deficit) of \$4,875,000,000. This is illustrated by the following comparative statement, which also shows how the deficit has increased from 1947 to 1951.

INCREASES IN ANNUITIES TO RETIRED CIVIL SERVICE EMPLOYEES 5

Statement of condition of the civil service retirement and disability fund as of June 30, 1947, and June 30, 1951

	June 30, 1947	June 30, 1951
LIABILITIES		
1. Liability to present and former employees for deductions from payroll, service-credit purchases, voluntary deposits, and accrued interest.....	\$1, 571, 744, 233. 29	\$2, 550, 616, 394. 06
2. Liability to beneficiaries or heirs of deceased, retired employees for unliquidated balances of their contributions, with interest.....	1, 187, 210. 41	1, 597, 797. 79
3. Liability to retired employees and survivor annuitants for payments accrued during June, payable July 1.....	8, 911, 558. 28	17, 224, 223. 18
4. Liability for all future payments in respect to employee and survivor annuitants on the roll.....	887, 098, 688. 00	2, 016, 051, 658. 00
5. Liability for prospective annuity benefits based on service already rendered by present and former employees, not yet retired, in excess of benefits to be provided by their contributions with interest.....	3, 103, 977, 903. 96	4, 709, 437, 039. 86
6. Total.....	5, 572, 919, 593. 94	9, 294, 927, 112. 89
ASSETS		
7. Cash and investments in obligations of the United States.....	2, 478, 919, 593. 94	4, 419, 927, 112. 89
DEFICIT		
8. Excess of liabilities over assets.....	3, 094, 000, 000. 00	4, 875, 000, 000. 00

The bill in its present form provides for the payment of the increase out of the civil service retirement and disability fund for a possible period of 2 years with no assurance that the fund would be reimbursed by specific appropriation. If the fund is not reimbursed by appropriation the already huge deficit would be increased by approximately \$62,000,000. In the judgment of the Commission this is improper; appropriation to cover the increases should be made in advance.

The Commission therefore recommends that the bill be amended to provide that the proposed increases would not be payable until funds are first appropriated for this purpose. This is in contrast with the present form of the bill which does not require any appropriation for the fiscal years 1953 and 1954.

The Commission further recommends that immediate steps be taken to obtain an appropriation at this session of Congress. A majority of the Commission believes that if an appropriation is not obtained at this session the increases should be deferred until such an appropriation is made. Commissioner James Mitchell believes that if, in the judgment of the committee, a special appropriation cannot be obtained at this session, the increases should be granted as provided in the bill.

The appropriation necessary to cover the first year cost of the bill in its present form is estimated to be \$33,900,000, and would need to be made not later than June 30, 1954, in order for increases to be paid after that date. If the Commission's recommendation for the limitation of \$1,800 on increased annuities were adopted, the first year cost is estimated to be \$27,700,000, and, under the Commission's further recommendation for advance appropriations, this amount would need to be made available before any increases are payable.

In our opinion the Civil Service Commission, which administers the retirement system covering the great majority of Federal employees, should be represented on the proposed Committee on Fiscal Policy for Federal Civilian Retirement Systems. It is therefore suggested that the Chairman of the Commission be designated as a member and a fifth member be designated by the President as the Committee Chairman.

The Commission is unanimous in its belief that this bill with amendments as proposed offers an equitable solution to the problem, and there are attached copies of H. R. 7971 incorporating the amendments recommended by the Commission in this report. If the amendments suggested in this report are adopted, the bill would then conform to the main point influencing the Commission in its report on H. R. 6540, namely, that any increases to retired employees do not impair the financial structure of the system.

Should hearings be scheduled on this bill, the Commission would appreciate being given opportunity to testify.

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In view of the need for immediate reply, the Commission has not been able to clear this report with the Bureau of the Budget.

By direction of the Commission:

Sincerely yours,

ROBERT RAMSPECK, *Chairman.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., June 19, 1952.

HON. TOM MURRAY,
*Chairman, Committee on Post Office and Civil Service, House of Representatives,
213-215 Old House Office Building, Washington 25, D. C.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of May 24, 1952, inviting the Bureau of the Budget to comment on H. R. 7971, a bill to amend section 8 of the Civil Service Retirement Act of May 20, 1930, as amended.

As pointed out in Mr. Staats' statement before your committee, a copy of which is enclosed, the Bureau of the Budget would have no objection to the enactment of the bill with certain amendments described in the statement.

Sincerely yours,

ELMER B. STAATS,
Acting Director.

Enclosure.

STATEMENT OF ELMER B. STAATS, ASSISTANT DIRECTOR OF THE BUREAU OF THE BUDGET, BEFORE THE HOUSE COMMITTEE ON POST OFFICE AND CIVIL SERVICE, ON LEGISLATION TO AMEND THE CIVIL-SERVICE RETIREMENT ACT

On behalf of the Bureau of the Budget, I appreciate this opportunity to discuss the bills to increase civil-service retirement benefits which are being considered by your committee. Three central issues are involved in these 14 widely varying bills: (1) whether there should be an increase in payments to present annuitants under the civil-service retirement system; (2) if an increase is granted, what form it should take and how it should be financed; and (3) for the future, what basic policies should govern the benefits to be provided under the civil service and other retirement systems for Federal personnel and how these systems should be financed.

Regarding the first question, as to whether there should be an increase to persons now on the rolls, it is general knowledge that the decline in purchasing power which has resulted from advances in prices works a hardship on those who depend upon fixed annuities for their livelihood. This shrinkage in buying power affects not only civil-service annuitants but also other groups of persons who depend upon fixed incomes derived from such sources as savings deposits, life-insurance policies, and pension rights built up in periods when the purchasing power of the dollar was greater and the planned levels of income therefore seemed adequate.

Rising prices therefore confront the Federal Government with special problems in all the benefit and assistance programs which it operates. In considering this legislation to provide increased payments to present annuitants of the civil service retirement system, the Congress is faced with the problem of deciding whether the obligation of the Government to its former employees is different from its obligation to beneficiaries under other programs. On the one hand, the Government has no commitment to restore the purchasing power of these annuities. On the other hand, the Congress has already enacted, and the President has approved, legislation providing cost-of-living increases in the railroad retirement, veterans' compensation and pension, military retirement, and foreign service retirement benefits. The House has also passed a bill to provide increases in social security benefits. In addition, in deciding whether to grant the proposed civil service increases, the Congress will want to consider the role of retirement benefits as part of the personnel policy for attracting and keeping able people in the Government service.

I turn now to the second issue, which relates to the form and financing of a possible increase in benefits. As your committee has been advised in reports submitted on May 5 and May 19, 1952, on various of the bills under discussion today, the Bureau of the Budget has no objection to adjustments in the annuities of those presently on the civil service retirement rolls provided (1) that the adjustments maintain a reasonable relationship of benefits to length of service and past earnings of the annuitants and (2) that financial arrangements are made

so as to avoid impairing the equities of future beneficiaries in the civil service retirement and disability fund. If the Congress determines that an increase for present annuitants is warranted, the real issue then appears to be the proposition that benefit increases for present annuitants be absorbed by the civil service retirement and disability fund without reimbursement from the General Treasury.

In the light of these considerations, it seems to us that, if the Congress decides to increase these benefits, S. 2968, the bill passed by the Senate, or H. R. 7971, which are nearly identical bills, embody a generally acceptable formula for this increase and for financing it. However, in that event, the provisions for appropriations to the trust fund should be made more adequate.

The importance of covering the cost of increased benefits for retired employees from general appropriations should be particularly emphasized. Because the civil-service retirement and disability system is basically a staff pension system covering a particular group of personnel, special care must be taken to adhere to sound financing principles. Over the years the principle has been followed of funding the obligations for future benefits under the system through employee and Government contributions.

The system necessarily started with an unfunded liability for prior service credits. Rising pay rates and successive liberalizations of the Retirement Act, coupled with the fact that appropriations made by the Congress have not covered the Government share of the costs, have resulted in the accumulation of an unfunded Government liability of nearly \$5 billion to the trust fund. While the contingent liabilities of the Government under other benefit programs are much larger in amount, this deficiency of \$5 billion is a serious problem for the civil-service system. There is always the danger for Government employees covered by a staff-pension system that, if the system is overcommitted in terms of the benefits promised, future Congresses may fail to make the appropriations necessary to pay the benefits. To strengthen the financial position of the fund, the President recommended in the 1953 budget that a start be made on amortizing the Government's accrued liability to the fund over the next 30 years. Thus the retirement system eventually would be financed on a full reserve basis.

Since the Bureau has already reported to your committee on all these bills except H. R. 7971, it may be useful to comment on the scope and extent of increases in benefits under this particular bill. If an increase is to be granted, the Bureau of the Budget favors the approach adopted in this bill of providing some increases to all annuitants in preference to the alternative of restricting increases to beneficiaries receiving annuities of less than \$1,800 a year. On the other hand, H. R. 7971 does not provide increases to surviving dependents of employees. If increases are to be provided to the retired employees, consideration should also be given to providing some assistance to survivors now on the benefit rolls.

Finally, although the annuity increases proposed in this bill would not necessarily be permanent, no cut-off date is provided and these contingent increases might continue indefinitely as a supplement to the basic formula. It seems to us that a definite time limit should be provided, particularly if there is to be a study of retirement fund financing.

I should like now to discuss the third major question in the retirement field which confronts the Congress as well as the executive branch. There is need for a thorough re-evaluation of basic policy for the provision and financing of retirement and other types of similar benefits for all categories of Federal personnel. This involves also the clarification of the relationships among the various staff pension systems as well as between such systems and the basic old-age and survivors insurance system. The Bureau of the Budget, the Civil Service Commission, and the Federal Security Agency are now carrying on jointly a fact-finding study of existing problems in the relationships between the civil service retirement and the old-age and survivors insurance systems. However, this covers but a small part of this Government-wide problem.

In addition to providing higher benefits for those now retired, H. R. 7971 and S. 2968 provide for a study to be made by a Committee on Fiscal Policy for Federal Civilian Retirement Systems. It would be the purpose of this study to determine the best methods of discharging the Government's financial responsibility under all the Federal civilian retirement systems.

The Bureau of the Budget strongly favors such a study. However, we believe that its usefulness would be greater if the scope were broadened. As outlined in the bills, the inquiry would be confined to determining the best method of financing the Government's share of the costs of the Federal civilian retirement systems. If the study were broadened to include a thorough actuarial investigation of the nature and cost, as well as the financing, of benefits under all the retirement and

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related benefit systems for Federal personnel, it would provide a much better basis for reconsideration of present policies.

We base this view in part on a preliminary study made pursuant to Hoover Commission recommendations. This study was conducted for the Bureau of the Budget by an independent actuarial firm and financed from the President's management improvement fund. The report covered 13 different retirement systems maintained for Federal personnel, with many widely differing plans and provisions. We estimate that obligations to pay benefits are now accruing for all these systems at a yearly rate of over \$2 billion.

Actuarial Report No. 1, which is chiefly a tabulation of provisions and benefits of Federal employee retirement systems was prepared as part of this study. This could readily serve as the starting point for the broader study which we think is needed. Although a copy of this report was provided to your committee when it was completed, we should like at this time to make available another copy in the event that you wish to incorporate it in the record of these hearings.

Specifically, it is recommended that the investigation apply actuarial and other techniques to the comparative study of the following aspects of the general subject:

1. The types and amounts of retirement and other related benefits provided to Federal personnel, including their role in the compensation system as a whole;
2. The necessity for special benefit provisions for selected employee groups, such as overseas personnel and employees in hazardous occupations;
3. The relationships of these benefit systems to one another, to the Federal employees' compensation system, and to such general systems as old-age and survivors insurance system; and
4. The current financial status of the several systems, the most desirable methods of cost determination and funding, the division of costs between the Government and the members of the systems, and the policies that should be followed in meeting the Government's portion of the cost of the various systems.

With this broader assignment, it would also appear desirable to change the name of the proposed study committee to the Committee on Retirement Policy for Federal Personnel. We also support a suggestion which has been made by the Civil Service Commission for the enlarging of the membership of the proposed Committee to include the Chairman of the Civil Service Commission and also a fifth member to be designated by the President as the Committee Chairman. The bill should also be amended to authorize appropriations necessary for the conduct of the study. Such a study cannot be made successfully without incurring expenditures for personnel, actuarial and other consultants, supplies and services, and printing.

In conclusion, it seems evident that, whether or not the Congress decides at this time to provide increased benefits to present annuitants, the policy problems involved in the existing benefit systems for Federal personnel are increasingly complex and interrelated. A thorough study is needed to provide a solid basis for future adjustments and improvements in these systems.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as passed the Senate, are shown as follows (new matter is printed in *italics*, existing law in which no change is proposed is shown in *roman*):

SECTIONS 8 AND 13 OF THE CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930, AS AMENDED

BENEFITS EXTENDED TO THOSE ALREADY RETIRED

SEC. 8. (a) In the case of any officer or employee who before the effective date of this Act shall have been retired on annuity under the provisions of the Act of May 22, 1920, as amended, or section 8 (a) of the Act of June 16, 1933, the annuity shall be increased, effective on the first day of the second month following the month in which this Act is enacted by 25 per centum or \$300, whichever is the lesser: *Provided*, That each such annuitant may, prior to the effective date herein prescribed, elect to retain his or her present annuity, in lieu of the increased annuity

provided by this section, and name his wife or her husband to receive upon his or her death one-half of his or her present annuity but not to exceed \$600 per annum during the remainder of the life of such surviving husband or wife and upon the death of such survivor no further annuity shall be due or payable. Any such annuitant who died during the period beginning on February 29, 1948, and ending on April 30, 1948, leaving a surviving wife or husband, shall be deemed to have made the election authorized in the foregoing proviso and to have named such wife or husband to receive an annuity as provided in such proviso, but no such annuity shall become due or payable to such wife or husband prior to April 1, 1948. Except as provided in this section, the amendments made by this Act shall not apply in the case of officers and employees retired prior to the effective date of this Act.

In case any officer or employee shall have been separated subsequent to January 23, 1942, and prior to the effective date of this Act and have acquired title to annuity under section 7 of the Act of May 29, 1930, as amended, beginning after such effective date, his rights shall be determined and annuity computed as though this Act had not been enacted: *Provided*, That any such officer or employee who has completed less than twenty years' civilian service may elect to forfeit his right to such annuity and elect to receive in lieu thereof the amount credited to his individual account together with interest compounded on December 31 of each year at the rate of 4 per centum to the date of his separation or December 31, 1947, whichever may be the earlier, and at the rate of 3 per centum for any period thereafter before April 1, 1948: *Provided further*, That if the separation of such officer or employee was involuntary, not by removal for cause on charges of misconduct or delinquency, the total amount of deductions, with such interest, shall be returned.

In the case of any officer or employee who, prior to the effective date of this Act, shall have been retired on an annuity under the provisions of the Alaska Railroad Retirement Act, as amended, the Canal Zone Retirement Act, as amended, or section 8 (b) of the Act of June 16, 1933, the annuity shall be increased effective April 1, 1948, by 25 per centum or \$300 whichever is the lesser: *Provided*, That each such annuitant may, prior to the expiration of sixty days following the date of enactment of this paragraph, elect to retain his or her present annuity, in lieu of the increased annuity provided by this paragraph, name his wife or her husband to receive upon his or her death one-half of his or her present annuity but not to exceed \$600 per annum during the remainder of the life of such survivor and upon the death of such survivor no further annuity shall be due or payable. Any such annuitant who shall have died between the effective date of this Act and the expiration of the said sixty-day period after the enactment of this paragraph leaving a surviving wife or husband shall be deemed to have named such wife or husband to receive an annuity as provided herein, but no such annuity shall become payable to such wife or husband prior to the date of enactment of this paragraph. Except as provided in this paragraph, the provisions of this Act shall not apply in the case of officers and employees of The Alaska Railroad, Territory of Alaska, or officers and employees of the Panama Canal or the Panama Railroad Company (1) retired prior to the effective date of this Act, or (2) separated prior to such date, in which case their refund or annuity rights shall be determined as though the Alaska Railroad Retirement Act and the Canal Zone Retirement Act had not been repealed: *Provided*, That there shall be deemed applicable as of July 29, 1942, to such officers and employees of the Panama Canal and the Panama Railroad Company, the provisions of the Act of July 30, 1947 (61 Stat. 521), respecting the return of amounts deducted from compensation.

(b) (1) In the case of any retired officer or employee mentioned in the first paragraph of subsection (a) who did not elect a survivor's annuity in accordance with the proviso in such subsection, there shall be payable upon his or her death, to his or her wife or husband to whom the annuitant was married before April 1, 1948, an annuity equal to one-half of his or her present annuity (excluding the increase therein under subsection (a)), but not to exceed \$600 per annum, during the remainder of the life of such survivor. The provisions of this paragraph shall apply in the case of any such annuitant who died subsequent to April 30, 1948.

(2) Any such retired officer or employee who elected a survivor's annuity in accordance with the proviso in subsection (a) shall be paid an increase in his annuity of 25 per centum or \$300 whichever is the lesser.

(c) (1) *The annuity of any employee who, before the date of enactment of this amendment, was retired and is receiving or entitled to receive annuity from the fund, shall be increased, effective on the first day of the second month following enactment of* ---

10 INCREASES IN ANNUITIES TO RETIRED CIVIL SERVICE EMPLOYEES

this amendment, by \$36 for each full six-month period elapsed between the commencing date of annuity and October 1, 1952: Provided, That such increase in annuity shall not exceed the lesser of \$324 or 25 per centum of the present annuity: Provided further, That the increases to retired employees provided by this subsection shall not operate to increase the annuities of their survivors.

(2) The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, under either of the following conditions:

(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.

(B) On June 30, 1954, or on June 30 of any subsequent year, unless before such date an appropriation has been made to the civil-service retirement and disability fund for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal year immediately preceding such date.

PAYMENT OF ANNUITIES AND FORM OF APPLICATION

SEC. 13. Annuities granted under the terms of this Act shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. Payment of all annuities, refunds, and allowances granted hereunder shall be made by checks drawn and issued by the Treasury Department in such form and manner and with such safeguards as shall be prescribed by the Civil Service Commission in accordance with the laws, rules, and regulations governing accounting that may be found applicable to such payments.

Applications for annuity shall be in such form as the Civil Service Commission may prescribe, and shall be supported by such certificates from the heads of departments, branches, or independent offices of the Government in which the applicant has been employed as may be necessary to the determination of the rights of the applicant. Upon receipt of satisfactory evidence the Civil Service Commission shall forthwith adjudicate the claim of the applicant, and if title to annuity be established, a proper certificate shall be issued to the annuitant under the seal of the Civil Service Commission.

An annuity granted for retirement under the provisions of section 1 or 2 of this Act shall commence the first day of the month following the date of separation from the service, or on the first day of the month following the month in which salary shall cease provided the employee meets the age and service requirements for retirement at that time, and shall continue during the life of the annuitant. An annuity granted under the provisions of section 6 or 7 hereof shall be subject to the limitations specified in said sections.

The term "annuitant" as used in this Act shall include any employee who has met all requirements of the Act for title and has filed claim therefor, notwithstanding final administrative action was not taken by the Civil Service Commission prior to his death. Nothing in this section shall be so construed as to reduce any benefit otherwise payable.

Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect: Provided, That, when established by affidavit, personal service rendered the Senate prior to July 1, 1935, as clerk to the Secretary for the Majority or as clerk to the Secretary for the Minority shall be creditable for civil-service retirement purposes on the same basis as other Senate service: And provided further, That, when established by affidavit, personal service heretofore or hereafter rendered as an employee of a senatorial campaign committee shall be creditable for civil-service retirement purposes on the same basis as other Senate service.

MINORITY VIEWS OF REPRESENTATIVE TOM MURRAY

At the start of hearings on the various bills to increase annuities of retired Federal employees I openly and plainly stated that I was opposed to any such increase, and why. Nothing that has transpired since warrants any modification of those views. In fact, my opinion that such increases are ill-advised, unfair, and dangerous at this time has been strengthened by the hearings.

SURVEY BEFORE ANY INCREASE

It is my unalterable conviction that Congress should not consider any legislation to liberalize retirement annuities until after a comprehensive survey has been made of the many existing retirement plans and similar benefits for civilian and military personnel of the Government. There can be no informed legislation except on the basis of the results of such a survey.

The Assistant Director of the Bureau of the Budget made the following statement at the hearings:

There is need for a thorough reevaluation of basic policy for the provision and financing of retirement and other types of similar benefits for all categories of Federal personnel. This involves also the clarification of the relationships among the various staff pension systems as well as between such systems and the basic old-age and survivors insurance system. The Bureau of the Budget, the Civil Service Commission, and the Federal Security Agency are now carrying on jointly a fact-finding study of existing problems in the relationships between the civil service retirement and the old-age and survivors insurance systems. However, this covers but a small part of this Government-wide problem.

* * * * *

We base this view in part on a preliminary study. The report covered 13 different retirement systems maintained for Federal personnel, with many widely differing plans and provisions. We estimate that obligations to pay benefits are now accruing for all these systems at a yearly rate of over \$2 billion.

The President last year asked Congress to make such a survey. I think it would be very enlightening, particularly with respect to duplication and overlapping of payments. Aside from the matter of private incomes, many annuitants have entered private industry and are receiving or will be eligible for social security benefits along with retirement. Some get payments based on military or naval service as well as retirement. Some may get all of these.

Such "survey" as is provided for in S. 2968 will be after the increases have been paid. It will be merely locking the stable after the horse is stolen. It could not restore 1 cent to the retirement fund or the Treasury, even though it showed that the increases granted by the bill were not justified. As pointed out by the Bureau of the Budget, the scope of the survey should be greatly broadened to include a thorough actuarial investigation of costs as well as financing of benefits under all retirement and related benefit systems for Federal personnel.

12 INCREASES IN ANNUITIES TO RETIRED CIVIL SERVICE EMPLOYEES

This legislation creates a Committee to handle this important survey, but leaves the Civil Service Commission without representation on the Committee. It is imperative, I think, that the Chairman of the Civil Service Commission should be a member of any such Committee.

RETIREMENT FUND DANGEROUSLY LOW

I have stated before, and I reiterate now, my opposition to increasing retirement benefits or annuities in any way, shape, or form because it will jeopardize the soundness of the civil service retirement fund. The Chairman of the Civil Service Commission reported that the fund presently is in the "red" nearly \$5 billion insofar as concerns having sufficiently funds to meet its obligations and liabilities. The fund falls by nearly \$150 million to cover the amounts due those already retired—a total of \$2,016,051,658 based on life expectancy—plus the amounts due present employees if they should withdraw the money in their individual retirement accounts. For the past 4 years there has been a total deficit of \$1,800,000,000. The Chairman of the Civil Service Commission submitted a most revealing "balance sheet" comparing the condition of the fund 5 years ago and 1 year ago. It does not take a certified public accountant to see, from this statement, that any further charge on this fund to increase present annuities would be most unwise. The statement follows:

Statement of condition of the civil service retirement and disability fund as of June 30, 1947, and June 30, 1951

	June 30, 1947	June 30, 1951
LIABILITIES		
1. Liability to present and former employees for deductions from payroll, service-credit purchases, voluntary deposits, and accrued interest	\$1, 571, 744, 233. 29	\$2, 550, 616, 394. 06
2. Liability to beneficiaries or heirs of deceased, retired employees for unliquidated balances of their contributions, with interest	1, 187, 210. 41	1, 597, 797. 79
3. Liability to retired employees and survivor annuitants for payments accrued during June, payable July 1	8, 911, 558. 28	17, 224, 223. 18
4. Liability for all future payments in respect to employee and survivor annuitants on the roll	887, 098, 688. 00	2, 016, 051, 658. 00
5. Liability for prospective annuity benefits based on service already rendered by present and former employees, not yet retired, in excess of benefits to be provided by their contributions with interest	3, 103, 977, 903. 96	4, 709, 437, 039. 86
6. Total	5, 572, 919, 593. 94	9, 294, 927, 112. 89
ASSETS		
7. Cash and investments in obligations of the United States	2, 478, 919, 593. 94	4, 419, 927, 112. 89
DEFICIT		
8. Excess of liabilities over assets	3, 094, 000, 000. 00	4, 875, 000, 000. 00

The Chairman pointed out that—

the three Civil Service Commissioners by law are the trustees of the civil service retirement and disability fund. They feel that a responsibility rests upon them to protect this fund in order that the promises made in the legislation may be fulfilled.

I am just old-fashioned enough to feel that the Government, like its citizens, should consider its word its bond, its trust sacred. This legislation will coerce the trustees of the civil service retirement trust

fund into a breach of trust, and cause serious depletion of individual equities in the trust. This legislation will pump \$62 million out of the trust fund in 2 years, and leave it up to chance that some future Congress will make an appropriation to replenish the fund, if needed, when present workers become entitled to their annuities. If the increase is continued on a permanent basis from appropriations, as authorized by this bill, there will be an additional cost of \$218 million. No matter how you look at it, this proposed increase for persons already retired must come either from the taxpayers or from the equities in the retirement fund of those who will retire in the future.

Among the most striking testimony on this legislation was the statement by the Chairman of the Civil Service Commission that he had explained this legislative proposal to groups of a thousand or more present Federal employees who overwhelmingly opposed it when they came to understand its effect on their individual equities in the retirement fund.

BENEFITS VERSUS CONTRIBUTIONS

Present annuitants as a group have received payments already many times greater than their contributions. Our Government has been most generous to them. Service before 1920 has been credited without any contribution at all to the retirement fund. For 6 years after 1920 contributions were at the rate of only 2½ percent. Thereafter the rate was 3½ percent for 16 years, 5 percent for 6 years. Only those retiring since 1948 have contributed 6 percent, the rate all present employees are paying. Yet, these retired employees want increases which will make their annuities largely comparable to those many present employees will receive upon retirement.

This unfairness is emphasized by cold statistics. A Civil Service Commission statement was furnished showing that the 166,000 annuitants on the rolls June 30, 1951, had contributed about \$240 million. These people already have been paid approximately \$947 million, and will receive \$2,816,000,000 more based on their life expectancies, or \$3,763,000,000 in all. This is better than a 12-to-1 return on investment. No present employee will get such a windfall.

POLICY OF CONGRESS

I deeply sympathize with annuitants who are in financial distress. I supported the measures which in 1948 provided for increased annuities for retired employees or the option of survivors' annuities, as well as the increases in both employee and survivor annuities granted in the Eighty-first Congress. But these gratuitous increases did not commit the Government to any policy of giving regular increases whenever demanded. Nor has our Government ever guaranteed that annuities will increase with the cost of living.

The civil-service retirement and disability fund is a trust fund. I am sure that every Member of Congress is deeply and gravely concerned in preserving the soundness and integrity of this trust fund so that it will meet all future liabilities and obligations. It is both unwise and unconscionable to leave the responsibility for payment of annuities on the taxpayers of the country or as a loadstone on the next generation of Federal employees.

I am not unaware of the grave problems faced by all who are retired on small incomes and must cope with the reduced purchasing power of the dollar. But I think, first of all, we should look before we leap; the comprehensive survey recommended by the Bureau of the Budget should be made before any increase in Federal annuities is granted.

Also, let there be no mistake: if the financial integrity of the retirement fund is further impaired, the day is then fast approaching when the civil-service retirement system will be merged with social security. I strongly oppose such a merger. I have yet to hear a single Federal employee who would desire it. The Federal civil-service retirement system now is the best and most liberal retirement system in the world. The Civil Service Commission calls it—

an instrument of personnel policy similar to provisions concerning pay, leave, and working conditions. Taken together these constitute the Government's competitive offer in the labor market. They may be revised from time to time as conditions change but the primary reason for such revision is the need for the Government to maintain a competitive position as an employer.

I, for one, insist that we treat all citizens alike, whether employees of the Government or private industry, and that we shall not give special benefits to a select few. Such preferential treatment as this legislation would afford a small group of former Government employees is particularly damaging because it attacks a keystone of our civil service.

TOM MURRAY.



Union Calendar No. 750

82^D CONGRESS
2^D SESSION

S. 2968

[Report No. 2407]

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1952

Referred to the Committee on Post Office and Civil Service

JULY 1, 1952

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

AN ACT

To amend section 8 of the Civil Service Retirement Act of May
29, 1930, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 8 of the Civil Service Retirement Act of May
4 29, 1930, as amended, is amended by adding at the end
5 thereof the following:

6 “(c) (1) The annuity of any employee who, before
7 the date of enactment of this amendment, was retired and
8 is receiving or entitled to receive annuity from the fund,
9 shall be increased, effective on the first day of the second
10 month following enactment of this amendment, by \$36 for
11 each full six-month period elapsed between the commencing

1 date of annuity and October 1, 1952: *Provided*, That such
2 increase in annuity shall not exceed the lesser of \$324 or
3 25 per centum of the present annuity: *Provided further*,
4 That the increases to retired employees provided by this
5 subsection shall not operate to increase the annuities of their
6 survivors.

7 (2) The increases in annuity provided by this sub-
8 section shall be paid from the civil-service retirement and
9 disability fund, and shall terminate, without subsequent
10 resumption, under either of the following conditions:

11 “(A) At the end of the second month following the
12 third consecutive month for which the Consumers’ Price
13 Index of the Bureau of Labor Statistics is less than
14 169.9, the index for the month of April 1948. In the
15 event that the Bureau of Labor Statistics revises the
16 basis of calculating the Consumers’ Price Index, it shall
17 immediately furnish to the Commission a conversion
18 factor designed to adjust to the new basis the index
19 figure of 169.9 described herein, and such adjusted index
20 shall be used for the purposes of this subsection.

21 “(B) On June 30, 1954, or on June 30 of any
22 subsequent year, unless before such date an appropria-
23 tion has been made to the civil-service retirement and
24 disability fund for the specific purpose of compensating

1 said fund for the cost, as determined by the Commission,
2 of increases provided by this subsection during the fiscal
3 year immediately preceding such date.”

4 SEC. 2. There is hereby created a body to be known as
5 the Committee on Fiscal Policy for Federal Civilian Retirement
6 Systems, which shall be composed of the Secretary
7 of the Treasury, the Chairman of the Board of Governors
8 of the Federal Reserve System, and the Director of the
9 Bureau of the Budget, all ex officio. This Committee shall
10 report to the Congress not later than June 30, 1953. Its
11 report shall cover the following:

12 (A) A survey of existing methods of determining
13 and funding the Government's portion of the cost of the
14 retirement systems for civilian employees of the United
15 States Government and of the District of Columbia
16 Government;

17 (B) A recommendation as to the desirability of a
18 uniform method of cost determination and funding; and

19 (C) A recommendation of the uniform method of
20 cost determination and funding (or varied methods applicable
21 to the several systems, if found desirable),
22 which, in harmony with budget and fiscal policies of the
23 United States, will result in the proper discharge of the
24 Government's liabilities under such retirement systems.

1 SEC. 3. Section 13 of the Civil Service Retirement Act
2 of May 29, 1930, as amended, is amended by adding at the
3 end thereof the following paragraph:

4 “Any person entitled to annuity from the civil-service
5 retirement and disability fund may decline to accept all or
6 any part of such annuity by a waiver signed and filed with
7 the Commission. Such waiver may be revoked in writing at
8 any time, but no payment of the annuity waived shall be
9 made covering the period during which such waiver was in
10 effect: *Provided*, That, when established by affidavit, per-
11 sonal service rendered the Senate prior to July 1, 1935, as
12 clerk to the Secretary for the Majority or as clerk to the
13 Secretary for the Minority shall be creditable for civil-service
14 retirement purposes on the same basis as other Senate serv-
15 ice: *And provided further*, That, when established by affi-
16 davit, personal service heretofore or hereafter rendered as an
17 employee of a senatorial campaign committee shall be credit-
18 able for civil-service retirement purposes on the same basis
19 as other Senate service.”

Passed the Senate June 12 (legislative day, June 10),
1952.

Attest:

LESLIE L. BIFFLE,
Secretary.

82ND CONGRESS
2ND SESSION

S. 2968

[Report No. 2407]

AN ACT

To amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

JUNE 16, 1952

Referred to the Committee on Post Office and Civil Service

JULY 1, 1952

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

July 2, 1952

thereafter, but not later than April 1, 1953 (pp. 9028-9).

16. ADMINISTRATIVE LAW. The Judiciary Committee reported with amendment S. 2546, providing for attorneys' liens in proceedings before the courts and other departments and agencies of the U. S. (H. Rept. 2437)(p. 9059).
17. WEED CONTROL. The Agriculture Committee reported without amendment S. 1041, authorizing control and research on halogeton (H. Rept. 2447)(p. 9060).
18. LAND TRANSFER. The Agriculture Committee reported with amendment H. R. 7317, authorizing sale of a tract of SCS submarginal land to Hope, N. Mex. (H. Rept. 2448)(p. 9060).
Passed as reported H. R. 1631, to transfer Fort Reno lands (now used for livestock research) to the Cheyenne-Arapaho Indian Tribes (pp. 8943-4).
Passed without amendment S. 3052, authorizing the transfer of certain land to the Navy Department, including a tract formerly used by USDA for an emergency rubber project (p. 8962). This bill will now be sent to the President.
19. FORESTRY. Passed without amendment H. R. 8341, providing that deposits of sandstone, gravel, pumice, and cinders, when situated in national forest lands, shall not be subject to acquisition under any other law (p. 8951).
20. AIR POLLUTION. Passed as reported H. J. Res. 218, providing for intensified research in the causes, hazards, and effects of air pollution, methods for its prevention and control and for recovery of critical materials from atmospheric contaminants, to be carried out by the Public Health Service, this Department, and the Interior Department (pp. 8967-8).
21. PERSONNEL RETIREMENT. Passed with amendment S. 2968, to increase the annuities of certain retired employees. The amendment supplied a new text that was almost identical to H. R. 8373. (pp. 8991-7.)
22. RURAL HOUSING. Passed as reported S. 3066, to amend the defense housing laws. One provision of this bill extends the rural-housing program, administered by USDA, for one additional year. (pp. 8997-9001.)
23. VETERANS' PREFERENCE. Passed without amendment H. R. 7721, extending the benefits of the Veterans' Preference Act of 1944 to persons serving in the Armed Forces after the termination of war between the U. S. and Japan and prior to July 2, 1955 (p. 8957).
24. FLOOD CONTROL. Passed without amendment S. 1020, preliminary examination and survey for flood control at Las Vegas Wash, Nev. (pp. 8945-6). This bill will now be sent to the President.
25. PERSONNEL TRAVEL. Passed without amendment H. R. 8177, providing for sundry administrative matters affecting the Federal Government, including permission to make available baggage transportation appropriations for payment of general average contributions (p. 8947).
26. ELECTRIFICATION. Passed without amendment H. R. 6436, to change the name of the Bonneville Power Administration to the Columbia River Administration (p. 8952).
27. IRRIGATION. Passed with amendment H. R. 6163, providing the basis for authorization of irrigation works in connection with Chief Joseph Dam, and providing for financial assistance thereto from power revenues (pp. 8953-4).

28. **ELECTRIFICATION.** Passed with amendment H. R. 6723, approving contracts negotiated with Gering and Fort Laramie (Nebr.) irrigation districts and certain other districts (pp. 8958-9).
29. **BANKING.** Passed without amendment S. 2938, amending the Federal Reserve Act to reduce capital requirements necessary for State banks to join the Federal Reserve, and requiring Federal Reserve approval for establishment by a State bank of a branch bank in the same town in which its principle office is located (pp. 9005-6). This bill will now be sent to the President.
30. **RESIGNATION** of Rep. Woodruff from the Ways and Means Committee was accepted and Rep. Goodwin was elected in his place after his resignation, in turn, from the Judiciary Committee (p. 8997).

BILLS INTRODUCED

31. **PROPERTY.** H. R. 8454, by Rep. Church, to provide for State and local taxation of real property which is owned by the United States and leased to private persons, and to prevent the leasing of real property owned by the United States for uses which violate State and/or local law; to Interior and Insular Affairs Committee (p. 9060).
32. **IMPORTS.** H. R. 8472, by Rep. Gross, to authorize the President to prohibit or curtail imports; to Ways and Means Committee (p. 9060).
33. **PERSONNEL.** H. R. 8462, by Rep. Cole, (N.Y.), to deny benefits, under the civil service and other Federal retirement systems, to persons convicted of felonies involving improper use of their authority, power, influence, or privileges as officers or employees of the United States or the District of Columbia; to Post Office and Civil Service Committee (p. 9060).
34. **EDUCATION.** S. 3455, by Sen. Murray, to establish a program of financial aid to students in higher education; to Labor and Public Welfare Committee (p. 9065). Remarks of author (pp. 9065-6.)

ITEMS IN APPENDIX

35. **DEFENSE PRODUCTION.** Speech in the House by Rep. Bolling claiming that the Defense Production Act extension bill "deliberately weakens price, wage, and rent controls by a series of exemptions" (p. A4415).
Rep. Dollinger inserted President Truman's statement regarding the Defense Production Act amendments (pp. A4415-6).
Speech in the House by Rep. Buchanan opposing the removal from price control of fresh fruits and vegetables and stating that he "supported with reluctance" the Defense Production Act bill (p. A4416).
36. **ELECTRIFICATION.** Rep. Miller inserted a U. S. Junior Chamber of Commerce resolution favoring his proposed bill providing for the private-enterprise development of the Niagara River electric power potentialities (pp. A4431-2).
37. **EXPENDITURES.** Extension of remarks of Rep. Beall criticizing Federal expenditures and high taxes and stating that, had the 1950 Republican proposals been followed (including "fair farm prices but no Brannan plan") we would not find ourselves "in the danger we are in today" (pp. A4416-8).

voiced disapproval of Federal mine-safety enforcement powers, Federal inspection shows 12,171 violations of the Federal Mine Safety Code were found by the inspectors; 7,435 of these violations had been repeated from one or more previous inspections, which means that these dangerous conditions, any or all of which might have contributed to the injury or death of one or more coal miners, and may have caused a major disaster, have been allowed to remain uncorrected for a period of months or years.

The compilation also shows that 4,915 safety improvements were made, which is about one-third of the total violations found by the inspectors and known to be present by the coal operators.

In addition to their failure to correct these known hazardous conditions and the failure of the States to use their authority to have them corrected, 185 men were killed in the mines of these associations opposing this bill during the year 1951 and up to May 1, 1952.

Every Member of Congress quickly recalls the major disasters such as Centralia and West Frankfort, but already escaped from their memory are the hundreds of disasters claiming lesser number of lives in each explosion. Those of you who follow the news teletype in the Speaker's lobby have seen almost a daily press dispatch on mine disasters for the past week—one in West Virginia, two in Pennsylvania, claiming several lives. January took a toll of 54 miners' lives; February, 37; and March, over 20. Each month takes its toll.

I am supporting this bill today because I believe that by putting teeth into the Federal law we can improve greatly safety conditions in our mines. I am interested in mine safety—as every Member of Congress should be. The mining of coal is important to the economy of our country. It is the duty of Congress to provide adequate safeguard for the lives of those courageous men who dig the Nation's coal.

No segment in America's industrial life has or does contribute more to our industrial progress. And no group of American workers have or do face the hazards in their occupation as the coal miners.

Certainly this legislation deserves approval.

Let us not forget Centralia, West Frankfort, and the hundreds of other mine disasters which since 1883 have taken 100,000 lives and since 1930 have resulted in injuries to 1,305,925 coal miners.

I appeal to my colleagues to act today. Putting teeth into the Federal mine safety law is essential as the most adequate safeguard for the lives of our Nation's coal miners.

(Mr. PRICE asked and was given permission to revise and extend his remarks.)

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. LUCAS) there were—ayes 185, noes 37.

Mr. FULTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

Mr. KELLEY of Pennsylvania. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. KELLEY of Pennsylvania: Amend the title so as to read: "To amend Public Law 49, Seventy-seventh Congress, so as to provide for the prevention of major disasters in coal mines."

The amendment was agreed to.

A similar House bill (H. R. 7408) was laid on the table.

House Resolution 720 was laid on the table.

SPECIAL ORDER GRANTED

Mr. EBERHARTER asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The Clerk read as follows:

Be it enacted, etc., "That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736c), is amended by adding at the end thereof the following:

"(c) (1) The annuity of any employee or survivor of a deceased employee who, before the date of enactment of this amendment, was receiving or entitled to receive an annuity from the fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full 6-month period elapsed between the commencing date of annuity and October 1, 1952: *Provided*, That such increase in annuity shall not exceed the lesser of \$324 or 25 percent of the present annuity: *Provided further*, That no annuity shall be increased to an amount in excess of \$2,000 by reason of the enactment of this amendment.

"(2) The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, on June 30, 1955, or on an earlier date under any one of the following conditions, whichever may first occur:

"(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.

"(B) On June 30, 1953, unless an appropriation is made to the civil-service retirement and disability fund in the applicable annual appropriation act, for the fiscal year 1954, or in any prior appropriation act, for

the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal years 1953 and 1954.

"(C) On June 30, 1954, unless an appropriation is made to the civil-service retirement and disability fund, in the applicable annual appropriation act, for the fiscal year 1955, or in any prior appropriation act for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal year 1955."

"SEC. 2. (a) There is hereby created a body to be known as the Committee on Retirement Policy for Federal Personnel, which shall be composed of a chairman appointed by the President and, ex officio, the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission.

"(b) The Committee shall make a comparative study of all retirement systems for all Federal personnel and report to the Congress not later than December 31, 1953. Its report, including findings and recommendations, shall include the following:

"(1) the types and amounts of retirement and other related benefits provided to Federal personnel, including their role in the compensation system as a whole;

"(2) the necessity for special benefit provisions for selected employee groups, including overseas personnel and employees in hazardous occupations;

"(3) the relationships of these retirement systems to one another, to the Federal employees' compensation system, and to such general systems as old-age and survivors insurance; and

"(4) the current financial status of the several systems, the most desirable methods of cost determination and funding, the division of costs between the Government and the members of the systems, and the policies that should be followed in meeting the Government's portion of the cost of the various systems.

"(c) The Chairman of said Committee, under such rules and regulations as the President may prescribe, is authorized to procure services pursuant to section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such attorneys and other personnel as may be necessary to carry out the provisions of this section. There is hereby authorized to be appropriated to the President such sums as may be necessary to carry out the provisions of this section.

"SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 716), is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

The SPEAKER. Is a second demanded?

Mr. REES of Kansas. Mr. Speaker, I demand a second.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the bill now under consideration strikes out all after the enacting clause of the bill, S. 2968, and provides that the Lesinski bill, H. R. 8373, which has been reported out by our committee, be substituted therefor. It also provides that no annuity will be increased in an amount of more than \$2,000.

The bill, S. 2968, which has already passed the other body, provides that for every 6 months an annuitant has been on the retirement rolls up to October 1, 1952, he shall receive an increase of \$36, with a maximum increase of \$324, or 25 percent of his present annuity, whichever is the lesser amount.

An employee who retired prior to April 1, 1948, when the new Retirement Act was passed by Congress, would receive the maximum increase of \$324, provided his present annuity is \$1,296 or more. If his annuity is less than \$1,296 per year, then he would receive an increase of 25 percent of the annuity. For instance, if the present annuity of an annuitant is \$1,000, he would receive a 25 percent increase, which would be \$250 or if his annuity is \$1,200 per year, he would receive a \$300 increase. Employees who have retired since April 1, 1948, would get \$36 for each 6 months of retirement prior to October 1, 1952. For example, if an employee retired on April 1, 1952, he would get a \$36 increase only. If he retired on October 1, 1951, he would get a \$72 increase, since he would have been retired for two 6-month periods prior to October 1, 1952. Only those retired for at least 54 months before October 1, 1952, are eligible to receive the maximum of \$324.

The bill, S. 2968, made no provision for any increase to widows or dependent children of deceased annuitants. It provided that the increase would be charged to the retirement fund but would terminate on June 30, 1954, or on June 30 of any subsequent year unless Congress appropriated the necessary funds with which to pay the increase for the preceding fiscal year.

The bill, S. 2968, also sets up a committee on fiscal policy for Federal civilian retirement systems with the Secretary of the Treasury, Chairman of the Board of Governors, and the Federal Reserve System, and the Director of the Budget as members. For some reason the Senate bill, S. 2968, left off the Chairman of the Civil Service Commission as a member of this committee. Our former colleague, and chairman of the House Committee on Civil Service for many years, Hon. Robert Ramspeck, who is now Chairman of the Civil Service Commission, vigorously opposed the enactment of Senate bill 2968 upon the ground that the retirement fund at the present time is not financially or actuarially sound, and that it would not be fair or right to charge any further increase to the retirement fund when it was in such bad financial condition. The Bureau of the Budget supported Senate bill 2968 provided four amendments, sug-

gested and approved by the Bureau, were adopted. These amendments were as follows:

First. To provide increases in benefits to survivors now on the rolls of the Civil Service Retirement system. In other words, to provide increases to widows and minor children as well as to the retired annuitants.

Second. To permit the trust fund to advance funds to pay the increases in benefits for the fiscal year 1953, but to require those advances to be paid from general appropriations made by the Congress of the United States, and also to require appropriations in advance by Congress to pay the increases for each of the fiscal years 1954 and 1955.

Third. To terminate the increases entirely on June 30, 1955.

Fourth. To authorize a thorough study of the nature and cost as well as the financing of benefits under all retirement systems for Federal personnel in order to provide a basis for the consideration of present policies in keeping with this broadened assignment. The suggested amendment renames the proposed study group, the Committee on Retirement Policy for Federal personnel, and enlarges its membership to six, and makes the Chairman of the Civil Service Commission a member of the committee. It also provides that the other additional member shall be named by the President, and shall be made chairman of this survey committee.

After Mr. Elmer Staats, Assistant Director of the Bureau of the Budget, testified before our committee and suggested these amendments, urging the great importance and need for these four amendments, the gentleman from Michigan [Mr. LESINSKI] who is a valuable and conscientious member of the Committee on Post Office and Civil Service introduced the bill, H. R. 8373, which incorporates the same benefit provisions and increases for retired annuitants exactly as set forth in Senate bill 2968 and also includes the four amendments or changes suggested by the Bureau of the Budget.

The Committee on Post Office and Civil Service in executive session voted to report out favorably to the House both the Senate bill 2968 and the Lesinski bill, H. R. 8373. All members of the committee voted to report out these two bills except myself.

My amendment, which will be considered alone since it strikes out all of the Senate bill after the enacting clause, is identical to the provisions of the Lesinski bill, H. R. 8373, with the exception that it provides that no increases in any annuity shall cause the annuity to exceed \$2,000. The chairman of the Civil Service Commission recommended that the limitation be \$1,800 but upon reflection I decided to make the amount \$2,000 in my amendment; so that those who are now drawing \$2,000 annuity or more will not get any increase under my amendment. It means that those who are drawing annuities of \$1,800 today would be eligible to get only \$200 increase and those receiving \$1,900 annuity would be eligible to get only a \$100 increase.

There are over 21,000 annuitants today who are drawing an annuity of more than \$1,800 per year. This limitation will save about \$4,000,000 per year.

My position on all this legislation is the same as that of Hon. Robert Ramspeck of the Civil Service Commission. Personally, I think it is unwise and dangerous to be tampering with our retirement funds by any legislation liberalizing this fund until we know whether this fund is in a safe and sound financial condition.

I said at the opening of these hearings that I opposed any legislation that would liberalize in any way the retirement system until a comprehensive survey was made as to the actuarial soundness of the retirement fund.

The SPEAKER pro tempore (Mr. COLLIER). The gentleman has consumed 10 minutes.

Mr. MURRAY. Mr. Speaker, I yield myself five additional minutes.

Mr. Speaker, I stated my position clearly and plainly at the opening of the hearings that I opposed any legislation that would further liberalize the retirement system at this time. However, after a month of hearings and after the committee considered about 15 bills liberalizing annuities, the committee did not see eye to eye with me. The committee members were strongly in favor of liberalizing our retirement system. When the vote was taken on S. 2968 and H. R. 8373, I was the only member of the committee to oppose their being reported out favorably by the committee.

Mr. Speaker, it devolved upon me to determine what course I should pursue, whether I should request you to recognize me as chairman for the suspension of the rules on this legislation. My personal wishes are that this legislation should be postponed, but in view of the fact that I am the only member of the committee who takes a position in opposition to this legislation, should I attempt to thwart the will of the great majority of the committee by not requesting the Speaker to recognize me for this suspension of the rules? My duties as chairman of the committee sometimes conflict with my personal views and opinions as an individual Member of Congress. So in fairness and with due regard for the opinion and wishes of the other members of the committee I decided to request this suspension of the rules. I can assure you that the official life of the chairman of the Committee on Post Office and Civil Service is not a "bed of roses." My views often do not agree with the majority of our committee. The pressure that is brought upon our committee by these various employee groups is terrific and it is getting worse all the time. I, for one, am not afraid, and I will not yield to their pressure when I think they are being too selfish, or when I think they are advocating legislation that is not in the best interests of the economy of our country.

What is the condition of the retirement fund today? At the present time, according to Chairman Robert Ramspeck of the Civil Service Commission, the retirement fund lacks \$4,875,000,000 of

meeting its liabilities. At this time the retirement fund has to its credit a little over \$4,400,000,000 and the liabilities of the fund are over \$9,200,000,000. During the past 4 years, according to Chairman Robert Ramspeck, there has been a deficit in this fund each year of approximately \$450,000,000.

That is a total deficit in the retirement fund for the past 4 years of \$1,800,000,000. So with the fund in this condition it is high time that we pause before we further impair the soundness of this fund.

I feel that it is my duty and my responsibility as chairman since the committee with only one vote against it, which was mine, voted to report out both S. 2968 and H. R. 8373, to make this motion to suspend the rules with an amendment; and I will say that my amendment is much better than either the Senate bill 2968 which is before us or the Lesinski bill, H. R. 8373, because my amendment provides that no increases in any annuity shall cause the annuity to exceed \$2,000.

Let us see what we have done already for these annuitants who retired before April 1, 1948: These annuitants contributed \$240,000,000 to this fund. So far they have received \$947,000,000; and according to the life expectancy tables, they will receive \$2,186,000,000 ultimately, making a total that these annuitants will receive of over \$3,000,000,000 for the \$240,000,000 they contributed. In other words, they are getting \$12 back for every \$1 they put into the retirement fund.

In April 1948 when the new retirement bill was passed Congress gave these annuitants an increase of \$300, or 25 percent, whichever is the lesser.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. MURRAY. Mr. Speaker, I yield myself five additional minutes.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. No; not right now; I will when I conclude.

Congress also provided for those annuitants who retired prior to April 1, 1948, a free annuity of \$600 to their widows. We have a fine, liberal retirement system; I do not want to see it wrecked by undue liberalization. The trouble is that many people who are drawing their annuities look only at the \$4,400,000,000 in cash in the fund and shut their eyes to the other side of the balance sheet which shows total liabilities of nearly \$10,000,000,000, or a deficit of nearly \$5,000,000,000.

According to the Bureau of Labor Statistics it is reported that there are 4,000,000 families with a smaller annual income than \$1,000; that one in every four families headed by a person 65 years of age or over had an annual income of less than \$1,000 per year.

Tell me why this Congress should dish out the taxpayers' money, or the money of the retirement funds to annuitants who are getting \$2,000 or more today in annuities.

There is one annuitant on the rolls today who is getting \$12,500; there are others getting five, six, seven, and eight thousand dollars in annuities.

If there is any justification under the sun for this increase it should be on the basis of need and want; and only those who are really suffering financial distress should be entitled to this increase. That is why I put the \$2,000 limitation in my amendment.

I am concerned over the attitude of so many people today that the Federal Government owes them "security or financial protection from the cradle to the grave." Unfortunately today many persons who are Federal employees have the idea that our Government owes them a living after they retire and that it is up to our Government to keep them up the rest of their lives. Mr. Speaker, we never hear any more about thrift, economy, or "saving for the rainy day"; the only thought today is to just retire and let the Federal Government take care of you.

It is time that we get back on a sound basis in this country and practice thrift and economy. I have offered an amendment which I think is good, it is much better than the bill S. 2968 and I think under the circumstances my amendment is the best that can be worked out. It is my own compromise with my own conscience.

I thought a long time as to whether or not I should ask the Speaker for permission to bring this bill up under suspension of the rules when personally I did not want to do so, but then I thought about my duty and my obligation as chairman of the committee. I was the only one who opposed this legislation. Finally I decided to bring the bill up under suspension of the rules with my amendment, which I hope will be adopted by the House. If this legislation is not considered under suspension of the rules then it is too late at this session to consider same otherwise.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from California.

Mr. McDONOUGH. How much more than \$2,000 did the original bill provide as a maximum for an employee?

Mr. MURRAY. The original bill has no maximum. The annuitant who is now drawing \$12,500 would get \$324 of an increase under Senate bill 2968.

Mr. McDONOUGH. The gentleman says that \$2,000 is the maximum in his bill.

Mr. MURRAY. Yes.

Mr. McDONOUGH. What do you mean by the \$2,000?

Mr. MURRAY. My amendment provides for no increase if it brings the annuitant to more than \$2,000. In other words, if the annuitant is drawing \$1,900 he would be entitled to \$2,000. If he is drawing \$2,000 or more he would be entitled to nothing in the way of an increase under my amendment.

Mr. McDONOUGH. Under the original bill there was no maximum?

Mr. MURRAY. That is correct.

Mr. McDONOUGH. The original bill provided for 2 years for this temporary set-up. The gentleman's bill provides for 1 year?

Mr. MURRAY. For 10 months, until June 30, 1953, unless Congress appropriates the money.

Mr. McDONOUGH. The gentleman's bill is for 10 months?

Mr. MURRAY. Yes; unless Congress sees fit to make the necessary appropriations for future years after June 30, 1953.

Mr. McDONOUGH. The original bill was for 2 years?

Mr. MURRAY. That is correct.

Mr. HERLONG. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Florida.

Mr. HERLONG. The gentleman stated it would not affect any annuity above \$2,000.

Mr. MURRAY. Yes.

Mr. HERLONG. A man who gets a \$12,000 annuity today will not be cut down to \$2,000, will he?

Mr. MURRAY. Oh, no, since no present annuity will be reduced in any amount.

Mr. HERLONG. I just wanted to get that straight.

Mr. MURRAY. It provides an increase if it will not bring the total up to beyond \$2,000. Those now receiving annuities of \$2,000 or more today will get no increase under my amendment, but will continue to receive the amount of their present annuities.

Mr. Speaker, the thorough, comprehensive survey of the retirement system is badly needed. I here quote the testimony by Mr. Elmer Staats, the Assistant Director of the Bureau of the Budget, in its need and importance:

There is need for a thorough reevaluation of basic policy for the provision and financing of retirement and other types of similar benefits for all categories of Federal personnel. This involves also the clarification of the relationships among the various staff pension systems as well as between such systems and the basic old-age and survivors insurance system. The Bureau of the Budget, the Civil Service Commission, and the Federal Security Agency are now carrying on jointly a fact-finding study of existing problems in the relationships between the civil service retirement and the old-age and survivors insurance systems. However, this covers but a small part of this Government-wide problem.

* * * * *

We base this view in part on a preliminary study. The report covered 13 different retirement systems maintained for Federal personnel, with many widely differing plans and provisions. We estimate that obligations to pay benefits are now accruing for all these systems at a yearly rate of over \$2,000,000,000.

Mr. REES of Kansas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill approved by the committee is what is known as the Lesinski bill. I believe there is only one change. That is the amendment of the chairman of the committee which he has just announced to the House. The amendment placing a limitation whereby anyone presently receiving annuities of \$2,000 or more will not be included under

the measure. I am also informed that with the exception mentioned, this bill is in line with the recommendations of the Bureau of the Budget.

This bill, as amended, will provide for an increase in civil-service retirement and disability annuities paid to employees or survivors of deceased employees receiving or entitled to receive an annuity on or before April 1, 1952. This increase will amount to \$36 for each full 6 months elapsed between the commencing date of the annuity and October 1, 1952, with a limitation of \$324 or 25 percent of the present rate, whichever is lesser. No annuity will be increased to an amount in excess of \$2,000 by reason of this legislation. The increase will be effective the first day of the second month after the enactment of the bill.

The increased annuities provided in this legislation will terminate on June 30, 1955, or at an earlier date in the event (a) the Consumers' Price Index of the Bureau of Labor Statistics for three consecutive months is lower than for April 1948, (b) on June 30, 1953, unless an appropriation is made in the appropriation act for the fiscal year 1954 to reimburse the Civil Service Retirement Fund for the cost of the increases provided during the fiscal years 1953 and 1954, or (c) on June 30, 1954, unless an appropriation is made in the appropriation act for the fiscal year 1955 to reimburse the Civil Service Retirement Fund for the cost of the increases to be provided for the fiscal year 1955.

The bill creates a Committee on Retirement Policy for Federal Personnel to make a comparative study of all retirement systems for all Federal personnel and report to Congress.

Annuitants will be permitted to waive increases under a provision designed to protect veterans receiving non-service-connected pensions which would be denied if their annuities exceeded certain amounts.

Our committee heard extensive testimony at which it developed there was a critical need to increase annuities for retired Federal employees. Our committee recommended two bills. One would have increased only the annuities of retired employees. The proposal which we are considering at this time contains the provisions of the two bills recommended by our committee and provides annuities for retired employees and for widows and children of deceased Federal employees.

There are approximately 166,000 Federal employees and 30,000 widows and children of deceased Federal employees who will receive increases under this bill. The cost of the bill for the first year is approximately the same as the cost of the bill as it was approved by the Senate. The difference is made up by the ceiling provision whereby annuities will not be increased so that they will be more than \$2,000 per year as a result of the increases provided in this bill.

In my judgment there is considerably more merit in providing increases for widows and children whose annuities in general run only 50 percent of the annuities of Federal employees than there is in paying the increases to persons who

are receiving annuities that are admittedly more than the amount necessary to sustain an adequate standard of living even in relatively high-cost areas.

Although the hour is late and the plea has been made that we should accept legislation without amendment, there is no more reason that we should take this action with this legislation than with other legislation which we are presently considering that is equally, if not more important, to the vital interests of this country. No problem is so complex that it cannot be resolved in a proper manner by conference. In my opinion, of course, we have accepted the major portion of the bill passed by the other body and I believe they will not turn against our amendments on which there is general agreement as to their desirability.

Mr. Speaker, we are hearing from various quarters a slogan "We, or they, have never had it so good." Here is a group of good citizens numbering approximately 200,000 who are not "having it so good." They are being required to get along on 50-cent dollars. They are people who, when they went on retirement, had a right to believe their dollars would be worth face value. They lost out through no fault of their own. This is just a small lift for these people. It is an effort to help provide some help, though small, to a fine group of American citizens.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. There are a good many widows of Federal employees who are not getting any pension, and they are not having it so good. Has the gentleman's committee given any consideration to providing some relief for them?

Mr. REES of Kansas. I will say the gentleman has made an important observation. Unfortunately not, but the original bill that was submitted on this question did not even give any additional relief to the widows and orphans of these retired employees. We are at least doing that much under the legislation that we have before us today. I think there is a whole lot more merit in providing increases for widows and children whose annuities in general run about 50 percent of the annuities of Federal employees than in paying increases to persons who are presently receiving annuities amounting to \$4,000, \$5,000, \$6,000, or more. It should be observed that funds under this bill must come from either directly or indirectly from the Federal Treasury.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Do I understand the gentleman to say then that the sole purpose of this bill is to assist the recipients by reason of the inflationary forces that are now operating against them?

Mr. REES of Kansas. The gentleman has stated it correctly.

Mr. CRAWFORD. May I ask one other question? Referring to the large civil-service retirement schedule which has

been made available, in the gentleman's opinion will this increase, if granted, unduly burden the reserve fund?

Mr. REES of Kansas. Oh, I will say to the gentleman that that is a problem. The reserve fund now, according to the Civil Service Commission—and they are disputed—would require an additional \$4 billion to make the fund what is described as actuarially sound. That means putting the fund in line with insurance companies' funds.

Mr. CRAWFORD. Will the gentleman give us his opinion as to whose fault or failure that is?

Mr. REES of Kansas. Well, I would say the Congress, through the years, has not appropriated the funds to do what it was expected to do under the original law.

Mr. CRAWFORD. Would the gentleman say that the Congress has not appropriated the funds, or we did not deduct enough from the workers?

Mr. REES of Kansas. Of course, there may be one other position to take. When the fund was created, these additional charges were not contemplated. The right thing to do is to appropriate money to pay for it as you go along rather than charge it up against a fund that was not intended to take care of these extra charges.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I am glad to yield to the gentleman from Pennsylvania, a member of our Committee.

Mr. RHODES. I believe the members of the committee are all in favor of this amendment, but we voted out the Senate bill mainly because we felt that an amendment would delay the legislation and kill all chances of passage at this session. We wanted to do something for the annuitants this year.

Mr. REES of Kansas. I believe the gentleman will agree that this bill is better than the Senate bill.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does the gentleman think that on June 30, 1953, this will terminate?

Mr. REES of Kansas. The gentleman's judgment is just as good as mine in respect to that question, but unless Congress takes action in respect to it, the law will terminate. That is about the best I can tell the gentleman. It is my personal opinion the act should remain in effect for a longer period, but this is the way the bill is written. The only change in the bill as originally introduced is the limitation of \$2,000.

In view of all the circumstances, I think this legislation should be approved by this House and go to the other body, and I am hopeful and feel quite sure there is sufficient time to have it enacted into law before this session terminates. Of course I have no voice with regard to the matter of recess or adjournment. I think this legislation is of sufficient importance that it should be approved during this session. I hope the other body will act accordingly.

Mr. Speaker, I yield 4 minutes to the gentlewoman from New York [Mrs. ST. GEORGE].

(Mrs. ST. GEORGE asked and was given permission to revise and extend her remarks.)

Mrs. ST. GEORGE. Mr. Speaker, I rise in support of this amendment. I believe it is the best thing we can get at this time. I think it is most essential for the annuitants who are now on the rolls that something be done at once for their relief.

I am particularly glad that in this amendment are included the survivors of the deceased employees who before the date of the enactment of this amendment were entitled to be on the rolls. This is very important.

What I should like to address myself to particularly, though, Mr. Speaker, is the question of the fund which we have heard so much about as being actuarially unsound. This is the picture as I see it in the brief time that is allotted to me.

We have in that fund, according to the figures submitted by the Civil Service Commission, over \$4,500,000,000. In fact, as of today, I believe it is safe to say it is \$5,000,000,000 that is in the fund. This year, with the proposed amendment, we will be spending a little under \$190,000,000.

Mr. Speaker, it seems to me that if I were in business and an insurance company informed me they had \$5,000,000,000 salted down and they were going to spend \$190,000,000, I would certainly tell them that they ought to have their heads examined. In other words, I would say, "What are you doing with that money? Why aren't you putting it out to some good use?" For that reason, I do not think it is fair or just to say that this fund is actuarially unsound.

Of course, if every annuitant tomorrow were to collect his or her money, the fund would blow up. What do you suppose would happen if we all went to our banks tomorrow and tried to collect our deposits? It would be the end of the banking system of the United States.

So I believe we are perfectly safe in passing this legislation, and I hope that a study, which this amendment calls for, will be made in the next 10 months and that we will come back with a realistic, businesslike approach to this whole problem, and will also take in the military on the retirement rolls as well in our study.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is it not a fact that this \$4,500,000,000 that is in the reserves is drawing interest to help pay for the \$190,000,000 in annuities?

Mrs. ST. GEORGE. Of course; the gentleman is entirely correct. That is why I said my figure was \$4,500,000,000. It probably now is up to \$5,000,000,000.

Mr. WITHROW. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield to the gentleman from Wisconsin.

Mr. WITHROW. Right at this point it might be interesting to know that the

interest this fund earned during 1951 was one-hundred-and-sixty-four-million-dollars-plus. The amount that was paid out to annuitants during 1951 was \$185,000,000. It was only \$21,000,000 short of the entire amount that was paid out to the annuitants during 1951.

Mrs. ST. GEORGE. I thank the gentleman for his contribution.

Mr. McDONOUGH. Mr. Speaker, will the gentlewoman yield?

Mrs. ST. GEORGE. I yield.

Mr. McDONOUGH. A moment ago, reference was made to the deficit or the amount of money necessary to make the fund liquid. As a matter of fact, that is not the fault of the Federal Government for not making its annual contribution to the retirement fund and is definitely not the fault of the Federal employees who have made their contribution regularly.

Mrs. ST. GEORGE. I thank the gentleman. He is eminently correct.

So far as the social-security fund is concerned, they have absolutely no reserve and no funds. We know that that fund is absolutely filled with Government I O U's.

Mr. McDONOUGH. Should not the same argument apply to any large insurance company, if it is called upon to pay all of its claims at one time?

Mrs. ST. GEORGE. Why, of course. Not only that, it would mean that we would all simply have to go on a cash-and-carry basis and have no credit set-up at all.

The SPEAKER pro tempore (Mr. COLLIER). The time of the gentlewoman from New York has expired.

Mr. REES of Kansas. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, we all want to provide relief to the retired employees, not as gratuity but as a matter of right. This bill is not just exactly what I would like, but it is the only bill we have a chance of passing at this time under the procedure we have gone through. However, I do believe there is only one question which presents itself at the present time, and that is whether this fund is sound or not. A great deal has been said about it, but I do want to say just a word or two in regard to it. First of all, I do believe the fund is sound, and if the fund is not sound, then the responsibility for it not being sound, or at least part of that responsibility, rests with the Federal Government because, from the years 1921 to 1929, they did not contribute one single solitary cent toward the fund while the employees were contributing all the time. Since the Civil Service Retirement Act went into effect the Federal Government has gone short in its contributions as compared to contributions of the employees, by more than \$600 million. So, if there is any unsoundness the Federal Government must take a large portion of the responsibility for it.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. AUGUST H. ANDRESEN. Is it not a fact that the fund is as sound as

the Government itself, because when we pay the money out you have to tax the people in order to pay for the bonds and securities that the fund holds?

Mr. WITHROW. Absolutely; there is no question about it.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. MILLER or California. If they want to talk about soundness of funds, I think the gentleman should point out that we have an obligation toward the retired Army and Navy officers and enlisted personnel, which costs us over \$345,000,000 a year, where they do not contribute 1 cent to the fund.

Mr. WITHROW. That is exactly so.

Mr. Speaker, the interest this fund has earned over the period 32 years, which is the time that it has been in existence, has amounted to over \$1,000,000,000. The amount of money that has been disbursed out of this fund only amounts to a little over \$2,500,000,000 for this same period. So the interest ratio and the earning power of this fund to the entire expenditures of the fund is 2½ to 1. The Federal Government has contributed \$2,689,000,000 to the fund, which is more than the entire disbursements from the fund over its entire life. The amount of money that the employees have contributed to the fund plus the interest is the balance in this fund at the present time, and that is over \$4,419,000,000. If you would look at the 1951 report of the Civil Service Committee on the retirement fund, you would see that if there is any trend, it is the trend toward a sounder fund, and you must take into consideration it has only been for the last 23 years that the Federal Government has been making a substantial contribution to the fund.

Mention has been made of the railroad retirement fund. It has been held up as a model. But this fund is much sounder than the railroad retirement fund and no one questions the soundness of the railroad retirement fund. The assumption that all Federal employees will force the fund to meet all its responsibilities on a given date is just an unrealistic approach and not worthy of mention. As a matter of fact, if over a period of years this fund had been so unsound, why was it that the Federal Government did not meet its responsibilities and make its contributions to the fund? The answer is obvious—the fund is sound.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. REES of Kansas. Mr. Speaker, I yield 3½ minutes to the gentleman from Pennsylvania [Mr. CORBETT].

(Mr. CORBETT asked and was given permission to revise and extend his remarks.)

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from California.

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record immediately following the remarks of the gentleman from Pennsylvania [Mr. CORBETT].

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from New York.

Mr. JAVITS. Mr. Speaker, I believe this legislation is vitally necessary. The cost of living has far outstripped retirement pensions. A material increase is a matter of elementary justice to those who have given their working years to the service of the United States. Also, it is a very important element in the morale of all civil-service workers to note that justice is served in increasing the retirement payments. I believe it will be compromised and liberalized in the conference with the Senate, as it stands now it is inadequate for the urgent needs of those under retirement in the civil-service system. I am impressed with the fact that most of the House conferees see the problem and are anxious to meet and solve it. I am for the bill, and I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LANTAFF. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Florida.

Mr. LANTAFF. Mr. Speaker, I wish to take this opportunity to commend the chairman of our committee, the gentleman from Tennessee [Mr. MURRAY]. I think the House realizes that he has very violent feelings about this particular bit of legislation, but notwithstanding those convictions he, with the unanimous spirit he has, has brought this bill to the floor for the Members to consider.

Mr. CORBETT. Mr. Speaker, I cannot yield further.

Mr. Speaker, I want to say to the Members of the House that many persons representing many of the retired employees of the Federal Government appeared before our committee or sent in statements which proved beyond any doubt that there was great need for some remedy for the mounting cost of living, the resulting lack of purchasing power of the dollar, and the consequent lowering of the standard of living for our retired individuals. These victims of our policies, our policies which over the years have fallen most heavily on annuitants, pensioners, people living on fixed incomes and off savings, are in great need. To meet this great need we come here to consider a bill which will take care of only a small portion of it. It is a little like binding up part of a wound. I am satisfied in my own mind that this legislation has fallen so far short of meeting the needs that we will certainly have to consider similar legislation next year. Possibly some day we will have to go into the matter of establishing escalator clauses in measures of this kind unless we quit the policy of destroying the value of the savings of the people of the United States.

I want to say on behalf of the fund that in every year of its existence the disbursements under the plan have been less than the employees' contributions. Likewise figures worked out on the basis of the Senate bill show that if this bill is passed and the number of employees remain constant and the payments remain constant, it will be the year 2000 or later before the disbursements will be greater than the employees' contributions alone. Therefore, I believe that no Member of this House should feel any hesitancy in supporting this bit of a remedy.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

(Mr. WOLVERTON asked and was given permission to revise and extend his remarks at this point in the RECORD.)

Mr. WOLVERTON. Mr. Speaker, I am in favor of the adoption of the pending bill to increase the annuities of retired Federal employees. The bill does not go as far as it should in this respect. Unfortunately, the bill has been brought up under a procedure that prevents any amendments being made. It should have been brought up under a rule that would permit amendments that would further remedy the inadequacy of present annuities.

Under the conditions that exist today the retired workers living on pensions or retirement benefits are hard pressed to meet the steadily-increasing cost of living. Prices are going up and the purchasing power of the dollar is going down. Retired workers of all classes, cut off from earning capacity, cannot meet the rising cost of living by increased wages. Their income is frozen. It was fixed when prices were lower and the dollar of greater purchasing value. The only way we can help these retired workers and their dependents is to increase their annuities.

It is not the fault of the retired worker that we are in a period of rising costs and decreasing value of the dollar. This is the result of economic conditions and the weakness and insufficiency of Government fiscal policies. The duty is upon us to recognize the situation that exists. It is our duty to provide annuities that will enable these elderly retired workers to live in some degree of comfort. They have worked faithfully and long and are entitled to more generous treatment. A Nation that gives so lavishly throughout the world, as does this Nation, certainly should be able to care for its own retired workers.

I shall vote for the bill, although I am disappointed that it does not go further than it does in providing relief for all retired workers.

[Mr. McDONOUGH addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. REES of Kansas. Mr. Speaker, I yield the remainder of my time to the gentleman from Connecticut [Mr. SADLAK].

(Mr. SADLAK asked and was given permission to revise and extend his remarks.)

Mr. SADLAK. Mr. Speaker, I appreciate the opportunity afforded me by my distinguished friend from Kansas [Mr. REES], to use the remaining time allotted him under the rules and permit me to conclude the debate on the annuitants measure. I had attended many of the hearings on the matter under consideration and the vital importance of action was indicated by the overcrowded spectator attendance throughout these meetings. No other hearings by our great Committee on the Post Office and Civil Service had such capacity audiences or more attentive visitors as the many outbursts of applause or manifestation of displeasure at remarks made by witnesses which required admonishment from the chairman who was ready to give every witness his or her full time for testimony.

The time element and the suspension of rules procedure added to the fact that two pertinent bills were reported simultaneously by the committee on Friday past, gave the chairman of the committee [Mr. MURRAY] a choice of bill to present today when recognized to call up a measure providing aid for Federal annuitants. In his opening remarks, the gentleman from Tennessee outlined his reasons for presenting the bill, as amended, and we have a choice of no bill at all or to take the amended version as presented. The House will accept the bill as presented desiring to take action providing a cost-of-living increase in annuities to former civil service workers who have been caught in the inflationary squeeze between rising prices and fixed income.

Mr. Speaker, against the contention of the Chairman of the Civil Service who questioned the soundness of dipping into the retirement fund for whatever increase might be allowed, was the insistence of those who believe that the Federal retirement fund is not required to be solvent at all times and suggested that it was inconceivable that a situation could arise requiring immediate payment of the entire sum. Actuarial soundness of the fund is questioned and this should be inquired into and thoroughly explored in order that necessary corrective action by the next Congress can be taken to protect the fund for those who are now receiving the benefits and to prevent an injustice to those who are contributing each payday believing that their full annuities will be forthcoming when eligible. I shall vote for passage and hope for a satisfactory conclusion in conference in order that a bill might be agreed upon before adjournment of this session.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

COST-OF-LIVING INCREASES FOR FEDERAL ANNUITANTS

Mr. RIEHLMAN. Mr. Speaker, I am very pleased to join my colleagues in the passage of S. 2968, the bill providing cost-of-living increases for retired

Federal employees receiving annuities from the civil-service retirement and disability fund. As pointed out by the committees recommending this legislation, the facts are well recognized that the cost of living has materially increased during the past several years, and that persons, such as the great majority of our Federal annuitants whose chief livelihood is dependent upon a fixed income, are hardest hit by this inflationary spiral. An increase in annuities of those already retired from Federal service is justified as a partial offset to the continually decreasing purchasing power of the dollar.

Congress recognized the plight of many of our people living on fixed incomes when it adopted amendments to the Social Security and Railroad Retirement Acts, increasing the amount of the benefits payable under those systems. As long as the inflationary spiral continues, it is only just that we should attempt to alleviate as much as possible this inflationary pressure upon those people now retired from Federal service.

Mr. HOLIFIELD. Mr. Speaker, we have before us a bill which is in the nature of a substitute for S. 2968 to increase the annuities of retired Federal employees or their survivors.

While this bill is not 100-percent satisfactory, I believe it should be passed in order that it may go to conference with the Senate bill. I am sure that the conference report will be a great improvement over the present law, and while it may not give all the benefits that the recipients would like, it will give them a substantial increase which will go far toward compensating them for the increased cost of living since their last annuity adjustment.

I am confident that the bill will be approved unanimously by the House.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken, and two-thirds having voted in favor thereof; the rules were suspended and the bill was passed.

By unanimous consent, the bill H. R. 6373 was laid on the table.

RESIGNATIONS FROM COMMITTEES

The SPEAKER laid before the House the following resignation from a committee, which was read by the Clerk:

HOUSE OF REPRESENTATIVES,
Washington, D. C.

HON. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Ways and Means Committee, effective as of this date.

Sincerely,

ROY O. WOODRUFF.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER laid before the House the following resignation from a committee, which was read by the Clerk:

HOUSE OF REPRESENTATIVES,
Washington, D. C., July 2, 1952.

HON. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR SPEAKER RAYBURN: I herewith tender my resignation from the Committee on the Judiciary.

Most respectfully yours,

ANGIER L. GOODWIN,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a privileged resolution (H. Res. 727) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That Hon. ANGIER L. GOODWIN, of Massachusetts, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Ways and Means.

The resolution was agreed to.

HOUSING ACT OF 1952

The SPEAKER. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3066) to amend defense housing laws, and for other purposes, with committee amendments.

The Clerk read as follows:

Be it enacted, etc., That this act be cited as the "Housing Act of 1952."

SEC. 2. Section 217 of the National Housing Act, as amended, is hereby amended to read as follows:

"SEC. 217. Notwithstanding limitations contained in any other section of this act on the aggregate amount of principal obligations of mortgages or loans which may be insured (or insured and outstanding at any one time) and on the aggregate amount of contingent liabilities which may be outstanding at any one time under insurance contracts, or commitments to insure, pursuant to any section or title of this act, any such aggregate amount shall, with respect to any section or title of this act (except section 2), be prescribed by the President from time to time taking into consideration the needs of national defense and the effect of additional insurance authorizations upon conditions in the building industry and upon the national economy: *Provided*, That the dollar amount of the insurance authorization prescribed by the President at any time with respect to any provision of title VI shall not be greater than authorized by provisions of that title: *And provided further*, That, at any time, the aggregate dollar amount of the mortgage insurance authorization prescribed by the President with respect to title IX of this act, plus the aggregate dollar amount of all increases in insurance authorizations under other titles of this act prescribed by the President pursuant to authority contained in this section, less the aggregate dollar amount of all decreases in insurance authorizations under this act prescribed by the President pursuant to authority contained in this section shall not exceed \$1,900,000,000: *And provided further*, That \$400,000,000 of said sum shall be available only for the insurance of mortgages for

which no insurance contract or commitment to insure under this act was outstanding on June 30, 1952, and which mortgages (1) cover defense housing programed by the Housing and Home Finance Agency in an area determined by the President or his designee to be a critical defense housing area, or (2) are insured under title VIII of this act, or (3) cover housing intended to be made available primarily for families who are victims of a catastrophe which the President has determined to be a major disaster."

Sec. 3. (a) Section 301 (a) (1) of said act, as amended, is hereby amended—

(1) by striking the words beginning with "insured after April 30, 1948" and ending with the colon at the end of the first proviso thereof and inserting the words: "insured under this act, as amended, or insured or guaranteed under the Servicemen's Readjustment Act of 1944, as amended: *Provided*, That no such mortgage, except defense or disaster mortgages as defined in subparagraph (G) hereof, shall be purchased by the association unless insured or guaranteed after February 29, 1952, or purchased pursuant to a commitment made by the association:";

(2) by striking from subparagraph (E) "pursuant to authority contained herein, exceeds 50 percent of the original principal amount of all mortgages made by such mortgagee" and inserting "after February 29, 1952, pursuant to authority contained herein, exceeds 50 percent of the original principal amount of all mortgage loans made by such mortgagee that are insured or guaranteed after February 29, 1952";

(3) by striking the proviso in subparagraph (E) and inserting "*Provided*, That this clause (2) shall not apply to (nor shall any terms therein include) any defense or disaster mortgages as defined in subparagraph (G)"; and

(4) by striking from the proviso in subparagraph (G) "which do not exceed \$252,000,000 outstanding at any one time, if applications for such commitments were received by the Association prior to December 28, 1951, or, in the case of title VIII mortgages, if the Federal Housing Commissioner issued his commitment to insure prior to December 31, 1951, but subsequent to December 27, 1951, and if such commitments of the Association relate to" and inserting "and prior to July 1, 1953, which do not exceed \$1,152,000,000 outstanding at any one time, if such commitments of the Association relate to defense or disaster mortgages. As used in this title III, 'defense or disaster mortgages' means."

(b) Section 302 of said act, as amended, is hereby amended (1) by striking "\$2,750,000,000" and inserting "\$3,650,000,000"; and (2) by adding before the period at the end of the first sentence of said section "*Provided*, That not more than \$2,750,000,000 of such total amount outstanding at any one time shall relate to mortgages other than defense or disaster mortgages as defined in section 301 (a) (1) (G)."

SEC. 4. Section 313 of the Defense Housing and Community Facilities and Services Act of 1951 is hereby amended by striking out "\$60,000,000" in paragraph (a) thereof and substituting "\$100,000,000" and by striking out "\$50,000,000" in paragraph (b) thereof and substituting "\$100,000,000."

SEC. 5. The first sentence of section 302 (b) of the Defense Housing and Community Facilities and Services Act of 1951 is hereby amended by adding after the words "for reuse at other locations" the words "or existing housing built or acquired by the United States under authority of other law."

SEC. 6. Section 611 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940,

as amended, is hereby amended by inserting "or section 313 of this act" immediately preceding the parenthetical clause, and by striking out "to this title" at the end of the parenthetical clause and inserting in lieu thereof "thereto."

SEC. 7. The first sentence of section 3 (b) and the first sentence of section 3 (d) of the Alaska Housing Act, approved April 23, 1949, as amended, are hereby amended by striking "\$15,000,000" and inserting "\$20,000,000."

SEC. 8. Title II of the National Housing Act, as amended, is hereby amended by adding the following new section:

"SEC. 218. In any case where an application for mortgage insurance under section 608 of this Act was received by the Federal Housing Commissioner on or before March 1, 1950, and a commitment to insure was issued by said Commissioner in accordance therewith any mortgagee who, prior to the expiration of such commitment, applied for insurance of a mortgage under section 207 of this Act with respect to the same property or project shall receive credit for all application fees paid in connection with the prior application: *Provided*, That nothing therein shall constitute a waiver of any requirements otherwise applicable to the insurance of mortgages under section 207 of this Act."

SEC. 9. The Secretary of the Treasury is hereby authorized and directed from time to time to credit and cancel the notes or notes of the Housing and Home Finance Administrator executed and delivered in connection with loans transferred from the Reconstruction Finance Corporation to the Housing and Home Finance Agency pursuant to Reorganization Plan No. 23 of 1950 (64 Stat. 1279), to the extent of the net loss, as determined by the Secretary of the Treasury, sustained by said Agency in the liquidation of defaulted loans. The net loss shall be the sum of the unpaid principal and advances for care and preservation of collateral, together with accrued and unpaid interest on said principal and advances, and all expenses and costs (other than those subject to administrative expense limitations) in connection with the liquidation of defaulted loans, less the amount actually realized by the Housing and Home Finance Agency on account of such defaulted loans.

SEC. 10. (a) The National Housing Act, as amended, is hereby amended—

(1) by adding at the end of section 8 the following new section 9:

"SEC. 9. The provisions of sections 2 and 8 shall be applicable in the several States and Alaska, Hawaii, Puerto Rico, the District of Columbia, Guam, and the Virgin Islands."

(2) by adding "Guam," after the words "District of Columbia," in each place where they appear in sections 201 (d), 207 (a) (7), 301 (c) (4), 601 (d), and 801 (f);

(3) by inserting in section 214—

(A) the words "or in Guam" after the word "Alaska" in each place where it appears in said section,

(B) the words "or maxima" after the word "maximum", and

(C) the words "or the Government of Guam or any agency of instrumentality thereof" after the words "Alaska Housing Authority" in each place where they appear in said section;

(4) by adding at the end of section 713 the following new subsection (g):

"(g) 'State' shall include the several States and Alaska, Hawaii, Puerto Rico, the District of Columbia, Guam, and the Virgin Islands"; and

(5) by deleting the words "or Territory" in section 403 (a) and inserting in lieu thereof the words "Territory, or possession."

(b) The Home Owners' Loan Act of 1933, as amended, is hereby amended by adding a comma and "Guam," after the words "Puerto Rico" in section 7 thereof.

(c) The Federal Home Loan Bank Act, as amended, is hereby amended by adding "Guam," after "District of Columbia," in section 2 (3) and after "Virgin Islands," in section 3 thereof.

(d) The Defense Housing and Community Facilities and Services Act of 1951 is hereby amended by adding at the end of section 401 the following: "This title shall be applicable in the several States, the District of Columbia, and the Territories and possessions of the United States."

(e) Section 102b of the Housing Act of 1948, as amended, is hereby amended by adding at the end thereof the following: "Such powers, functions, and duties may be exercised in the several States, the District of Columbia, and the Territories and possessions of the United States."

SEC. 11. Title V of the Housing Act of 1949, as amended, is hereby amended as follows:

(a) In the first sentence of section 511 immediately following the phrase "July 1, 1951" strike the word "and" and insert at the end of the sentence just before the period a comma and the language "and an additional \$100,000,000 on and after July 1, 1953."

(b) In section 512, (i) strike "and 1952" and insert "1952, and 1953", and (ii) strike "and \$2,000,000" and insert "\$2,000,000 and \$2,000,000."

(c) In section 513, strike "and \$10,000,000 on July 1 of each of the years 1950, 1951, and 1952" and insert "\$10,000,000, and \$10,000,000 on July 1 of each of the years 1950, 1951, 1952, and 1953."

SEC. 12. Section 903 (c) of the National Housing Act, as amended, is hereby amended by adding at the end thereof the following new sentence: "Upon application of the mortgagee with the consent of the mortgagor of a mortgage for which a commitment to insure has been issued pursuant to section 203 of this act covering property on which the construction of the dwellings thereon was begun prior to the enactment of this title and the determination of prevailing wages in the locality in accordance with section 212, the Commissioner is authorized, notwithstanding such beginning of construction, to convert such commitment to a commitment under section 908; any charges or fees paid to the Commissioner with respect to such insurance under section 203 shall be credited to charges or fees due the Commissioner with respect to such insurance under section 908; and the determination of prevailing wages in the locality for purposes of section 212 may be made by the Secretary of Labor at any time prior to the insurance under section 908: *Provided*, That such mortgage, or the mortgage covering the same property executed in substitution therefor, is otherwise eligible for insurance under section 908."

SEC. 13. Section 610 of the National Housing Act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Commissioner is further authorized to insure or to make commitments to insure under section 608 of this title in accordance with the provisions of this section any mortgage executed in connection with the sale by a State or municipality, or an agency, instrumentality, or body politic of either, of any permanent housing (including any property acquired, held, or constructed in connection therewith or to serve the inhabitants thereof), constructed by or on behalf of such State, municipality, agency, instrumentality, or body politic, for the occupancy of veterans of World War II, their families, and others: *Provided*, That the principal obligation of any such mortgage does not exceed either 85 percent of the appraised value of the mortgage property as determined by the Commissioner or \$8,100 per family unit for such part of such property as may be attributable to dwelling use."

Mr. SPENCE (interrupting the reading of the bill. Mr. Speaker, I ask unanimous consent that further reading of the bill be dispensed with and that the bill be printed in the RECORD as amended.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. Is a second demanded?

Mr. GAMBLE. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The gentleman from Kentucky will be recognized for 20 minutes and the gentleman from New York for 20 minutes.

The gentleman from Kentucky is recognized.

Mr. SPENCE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this bill extends the provisions of the Housing Act with reference to the Federal National Mortgage Association. It provides that the purchasing authority of the Federal National Mortgage Association with respect to defense and disaster mortgages shall be increased by \$900,000,000. This will release \$360,000,000, which is now frozen, for the purchase of GI and FHA nondefense mortgages.

It also increases the insurance authority of FHA by \$400,000,000, and provides that the existing unused authorizations may be transferred to titles other than those for which it was originally authorized. It also makes other necessary amendments to general housing statutes.

The bill has been generally demanded by those who are interested in housing. It will furnish a secondary market for housing securities, which is so badly needed to support the defense housing program.

I hope the bill will be passed as reported by the committee.

Mr. GAMBLE. Mr. Speaker, I yield 8 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Speaker, I want to call the attention of the House to a part of this bill which I think is very important. The Federal National Mortgage Association, which we commonly call Fanny May, is to be expanded under one of the sections of this bill.

The Federal National Mortgage Association was established a number of years ago as an emergency agency to assist the people of the country in buying houses and homes. When it was established the idea was that Fanny May would provide a secondary market for mortgages on homes throughout the country when there was not money available in the locality for this purpose.

Fanny May has continued year after year with billions of dollars being appropriated and authorized for this secondary market. I realize that under certain emergency conditions the Gov-

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8. **NOMINATION.** The Public Works Committee reported favorably the nomination of Raymond Ross Paty to the TVA Board (p. 9177).
9. **RETIREMENT.** Senate conferees were appointed on S. 2968, to increase the annuities under the Civil Service Retirement Act (pp. 9178-9) **(9343)**
10. **BUDGETING.** Passed without amendment S. Con. Res. 27, to provide for a consolidated appropriation bill each year. Later, at the request of Sen. Hayden, the vote was reconsidered and the measure was passed over. (p. 9182.)
11. **PERSONNEL.** Passed without amendment S. 1811, to suspend the running of the statutes of limitations applicable to offenses involving performance of official duties by Government personnel. Later, at the request of Sen. Morse, the vote was reconsidered and the bill was passed over. (p. 9184.)
12. **INVESTIGATIONS.** Passed without amendment S. J. Res. 143, to authorize a special investigator and a staff to investigate improper and illegal conduct in the transaction of Government business; etc. (pp. 9184-5).
13. **PURCHASING.** Passed with amendment S. 2487, to permit review of decisions of Government contracting officers involving questions of fact arising from Government contracts in cases other than those in which fraud is alleged (pp. 9188-9).
14. **SCHOOL LUNCH PROGRAM.** Passed as reported H. R. 1732, to amend the National School Lunch Act so as to provide for the apportionment of additional funds to Hawaii, Alaska, Puerto Rico, Guam, and the Virgin Islands (p. 9189).
15. **TRANSPORTATION.** Passed as reported S. 2364, to authorize ICC to revoke or amend, under certain conditions, water-carrier certificates and permits. Later, at the request of Sen. Aiken, the vote was reconsidered and the bill was passed over. (pp. 9190-1.)
16. **COST-OF-LIVING ALLOWANCES.** Passed without amendment S. 2008, to permit payment of cost-of-living allowances to Government employees outside continental U. S. in excess of 25% of the rate of basic pay (p. 9194).
17. **RECLAMATION.** Passed without amendment H. R. 6723, to approve contracts negotiated with the Gering and Fort Laramie irrigation district, the Goshen irrigation district, and the Pathfinder irrigation district; and to authorize the execution of contracts on the North Platte Federal reclamation project (pp. 9195-6). This bill will now be sent to the President.
Passed without amendment H. R. 6163, to authorize irrigation works in connection with Chief Joseph Dam (p. 9268). This bill will now be sent to the President.
Sen. Douglas inserted correspondence with the Army and Interior Departments concerning cost allocations, repayments, and the application of reclamation law to the Kings River project, Calif. (pp. 9308-12).
18. **FARM TENANT LOANS.** Passed without amendment H. R. 4799, to amend Sec. 73 (i) of the Hawaiian Organic Act so as to authorize sale of homestead lots under the Bankhead-Jones Farm Tenant Act (p. 9197). This bill will now be sent to the President.
19. **PERSONNEL.** Passed with amendment H. R. 7806, to authorize participation of certain Federal employees, without loss of pay or deduction from annual leave;

in funerals for deceased members of the Armed Forces returned to the U. S. from abroad for burial (p. 9206).

20. MINERALS. Passed without amendment H. R. 5788, to extend certain 10-year oil and gas leases (p. 9207). This bill will now be sent to the President.
21. WATER COMPACT. Passed as reported H. R. 2470, granting consent to Idaho, Montana, Oregon, Washington, and Wyoming to enter into a compact for division of Columbia River waters (pp. 9207-8, 9246).
22. PERSONNEL. Passed without amendment H. R. 7641, to provide benefits for certain Federal employees of Japanese ancestry who lost certain rights with respect to grade, time in grade, and rate of pay by reason of any policy or program of the Government with respect to such persons during World War II (p. 9208). This bill will now be sent to the President.
23. FLAMMABLE FABRICS. Passed as reported S. 2918, to prohibit interstate transportation in dangerous flammable fabrics (pp. 9214-7).
24. VETERANS' PREFERENCE. Passed with amendment H. R. 7721, to extend the Veterans' Preference Act of 1944 to persons serving in the Armed Forces of the U. S. after World War II and before July 2, 1955 (pp. 9235-6).
25. FORESTRY. Passed without amendment H. R. 5055, to authorize exchange of certain U. S. lands in Ontonagon County, Mich., for lands within the Ottawa National Forest (p. 9238). This bill will now be sent to the President.
26. INSECT RESEARCH. Passed without amendment H. R. 7952, to authorize combination of the Truck Crop Insect Laboratory and the Citrus Insect Laboratory of E&PQ at Alhambra and Whittier, Calif., respectively, and to provide for new quarters (p. 9238). This bill will now be sent to the President.
27. TOBACCO ALLOTMENTS. Discussed and passed over, at the request of Sen. Clements, H. R. 8170, to authorize reductions in the minimum farm acreage allotments for burley tobacco (p. 9238).
28. PROPERTY; ADMINISTRATIVE SERVICES. Passed as reported H. R. 5350, to amend the Federal Property and Administrative Services Act so as to increase the capital of the general supply fund, allow greater flexibility in determining the amount of reimbursement for transfer of excess property among executive agencies, extend for 1 year the authority to dispose of surplus property by negotiation, and authorize the establishment of a buildings-management working capital fund (pp. 9243-4).
29. EMERGENCY POWERS. Passed as reported S. J. Res. 165, to continue various war-time emergency powers (pp. 9301-2).
Agreed to the conference report on H. J. Res. 477, to continue various war-time emergency powers (p. 9265).
30. AIR-POLLUTION RESEARCH. The Labor and Public Welfare Committee reported without amendment H. J. Res. 218, to provide for intensified research into the causes, hazards, and effects of air pollution, into methods for its prevention and control, and for recovery of critical materials from atmospheric contaminants (S. Rept. 2079)(p. 9298).
31. WATER POLLUTION. The Public Works Committee reported without amendment H. R. 6856, to extend the Water Pollution Act (S. Rept. 2092)(p. 9298).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOUGLAS:

S. 3458. A bill for the relief of Robert David Franklin (Shunichi Tanimura); to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 3459. A bill authorizing the conveyance of certain lands to the town of Hope, N. Mex.; to the Committee on Agriculture and Forestry.

S. 3460. A bill for the relief of Elias Kulkundis; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3461. A bill for the relief of Sarkis Diarbekerian and his family; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3462. A bill for the relief of Wilton J. Parker; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 3463. A bill to authorize a program for runoff and waterflow retardation and soil-erosion prevention for the Pecos River watershed in New Mexico and Texas; and

S. 3464. A bill to amend and supplement the Federal-Aid Highway Act of 1952, approved June 25, 1952; to the Committee on Public Works.

By Mr. SALTONSTALL (for Mr. LODGE):

S. 3465. A bill for the relief of Helena Billinska; and

S. 3466. A bill for the relief of George Khouri; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 3467. A bill for the relief of Lillian Kontou Coussoulls; to the Committee on the Judiciary.

By Mr. HOLLAND (by request):

S. 3468. A bill for the relief of Michele Bevinno; to the Committee on the Judiciary.

By Mr. UNDERWOOD:

S. 3469. A bill for the relief of Michael Kay; and

S. 3470. A bill for the relief of Ronald Lee Shields; to the Committee on the Judiciary.

By Mr. BENNETT (for himself and Mr. WATKINS):

S. J. Res. 171. Joint resolution authorizing the erection of a sculptural piece known as "The Pony Express" in Washington, D. C.; to the Committee on Rules and Administration.

AMENDMENT OF FEDERAL RESERVE ACT—CORRECTION IN ENROLL- MENT OF BILL

Mr. MAYBANK. Mr. President, I submit a concurrent resolution, the purpose of which is to make a correction in the enrollment of the bill (S. 2938) to amend section 9 of the Federal Reserve Act, as amended, and section 5155 of the Revised Statutes, as amended, and for other purposes. I ask unanimous consent for its immediate consideration.

There being no objection, the concurrent resolution (S. Con. Res. 88) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the bill (S. 2938) to amend section 9 of the Federal Reserve Act, as amended, and section 5155 of the Revised Statutes, as amended, and for other purposes, to make the following correction, namely: On page 2, line 19, of the Senate engrossed bill, in lieu of the language "(b) Subsection (c) or section" insert "(b) Subsection (c) of section."

HOUSE BILLS AND JOINT RESOLU- TIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred, as indicated:

H. R. 168. An act to extend the statute of limitations with respect to certain suits;

H. R. 1508. An act conferring jurisdiction on the United States District Court for the Northern District of California to hear, determine, and render judgment upon certain claims of the State of California;

H. R. 3624. An act to amend title 18, United States Code, entitled "Crimes and Criminal Procedure," with respect to State jurisdiction over offenses committed by or against Indians in the Indian country, and to confer on the State of California civil jurisdiction over Indians in the State;

H. R. 6036. An act to amend title 18, United States Code, entitled "Crimes and Criminal Procedure," with respect to State jurisdiction over offenses committed by or against Indians in the Indian country; and

H. R. 8273. An act to amend title 17 of the United States Code entitled "Copyrights" with respect to the day for taking action when the last day for taking such action falls on Saturday, Sunday, or a holiday; to the Committee on the Judiciary.

H. R. 1222. An act to amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide for the crediting of certain service in the Army of the United States for certain members of the Reserve components of the Air Force of the United States;

H. R. 8177. An act to provide for sundry administrative matters affecting the Federal Government, particularly the Army, Navy, Air Force, and State Department, and for other purposes; and

H. R. 8222. An act to authorize the loan of certain naval patrol-type vessels to the Government of Japan; to the Committee on Armed Services.

H. R. 1631. An act to set aside certain lands in Oklahoma, formerly a part of the Cheyenne-Arapaho Reservation, and known as the Fort Reno Military Reservation, for the Cheyenne-Arapaho Tribes of Indians of Oklahoma, and for other purposes;

H. R. 5226. An act to transfer to the Territory of Hawaii title to property heretofore set aside for the use of the University of Hawaii;

H. R. 6136. An act to provide the basis for authorization of a study and report of irrigation works in connection with Chief Joseph Dam, to provide for financial assistance thereto from power revenues, and for other purposes;

H. R. 7104. An act to amend the act of Congress of September 3, 1935 (49 Stat. 1085), as amended;

H. R. 7487. An act to amend section 1 of the act approved June 27, 1947 (61 Stat. 189); and

H. R. 8341. An act to amend the act of July 31, 1947 (61 Stat. 681); to the Committee on Interior and Insular Affairs.

H. R. 5954. An act to provide for the release to the city of Camden of all the right, title, and interest of the United States in and to certain land heretofore conditionally granted to such city;

H. R. 7126. An act to authorize and direct the Secretary of Commerce to convey certain land and grant certain easements to the State of California for highway-construction purposes in Richmond, Calif.;

H. R. 7722. An act to amend the Public Health Service Act so as to provide for equality of grade, pay, and allowance between the Chief Medical Officer of the Coast Guard and comparable officers of the Army; and

H. J. Res. 218. Joint resolution to provide for intensified research into the causes, hazards, and effects of air pollution, into methods for its prevention and control and for re-

covery of critical materials from atmospheric contaminants, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 6167. An act to prohibit reduction of any rating of total disability or permanent total disability for compensation, pension, or insurance purposes which has been in effect for 20 or more years; and

H. R. 6241. An act to provide for the refund or credit of the internal-revenue tax paid on fermented malt liquors lost or rendered unmarketable by reason of the floods of 1951 where such fermented malt liquors were in possession of (1) the original taxpayer, (2) a dealer who sells fermented malt liquors at wholesale, or (3) a dealer who sells fermented malt liquors at retail; to the Committee on Finance.

H. R. 6326. An act to amend subsections (c) and (d) of section 3 of the Postal Salary Act of July 6, 1945, as amended; and

H. R. 8006. An act to provide for an adjustment in the compensation of certain employees transferred from the field service of the Post Office Department to the General Services Administration pursuant to Reorganization Plan No. 18 of 1950, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 6436. An act to change the name of the Bonneville Power Administration to the Columbia Power Administration; to the Committee on Public Works.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMIT- TEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. CHAVEZ, from the Committee on Public Works:

Raymond Ross Paty, of Georgia, to be a member of the Board of Directors of the Tennessee Valley Authority.

By Mr. McCARRAN, from the Committee on the Judiciary:

James William Johnson, Jr., of Nevada, to be United States attorney for the district of Nevada, vice Miles N. Pike, resigned.

By Mr. STENNIS, from the Committee on Armed Services:

James T. Hill, of the District of Columbia, to be Assistant Secretary of the Air Force;

Lt. Gen. Henry Spiess Aurand, commanding general, United States Army, Pacific (major general, U. S. Army), to be placed on the retired list in the grade of lieutenant general;

Lt. Gen. John Reed Hodge, Army of the United States (major general, U. S. Army), for appointment as Chief, Army Field Forces, with the rank of general;

Maj. Gen. John Taylor Lewis, United States Army, for appointment as commanding general, Army Antiaircraft Command, with the rank of lieutenant general;

Maj. Gen. George Price Hays, United States Army, for appointment as commanding general, United States Forces, Austria, with the rank of lieutenant general;

Brig. Gen. Silas Beach Hays, and sundry other officers for temporary appointment in the Army of the United States;

Maj. Gen. Thomas Wade Herren, and sundry other officers for appointment in the Regular Army of the United States;

Lt. Gen. Lauris Norstad, and sundry other officers for appointment and promotion in the Regular Air Force;

Raymond P. Coffman of the Marine Corps for permanent appointment to the grade of brigadier general; and

Samuel K. Bird of the Marine Corps for temporary appointment to the grade of brigadier general.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. UNDERWOOD:

Statement prepared by him entitled "The Real Issues."

By Mr. WILEY:

An editorial from the June 19 issue of the Milwaukee Journal with reference to thousands of Government workers and the considerable extravagance in which they indulge.

By Mr. FREAR:

Editorial entitled "The Canal at Mid-Century," from the Wilmington (Del.) Journal-Every Evening of July 2, relating to the Summit (Del.) Highway Bridge.

By Mr. THYE:

Editorial entitled "New Immigration Law," published in the Minneapolis Morning Tribune on June 30, 1952.

Article entitled "Eightieth Congress Wasn't So Bad," written by Bruce Barton, and published in the Minneapolis Star on June 28, 1952.

Article entitled "Sweat, Toil, While Facing Death," written by Constantine Brown, and published in the Washington Evening Star of July 2, 1952, which will appear hereafter in the Appendix.

By Mr. LANGER:

Excerpts from report of Highway Safety Conference called by the Governor of North Dakota, and held at Bismarck, N. Dak., on May 12 and 13, 1952.

REQUEST FOR INSERTION OF MATERIALS IN APPENDIX OF THE FINAL ADDITION OF THE CONGRESSIONAL RECORD

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the final edition of the CONGRESSIONAL RECORD certain miscellaneous materials which I am preparing with regard to the challenges of 1952 and the years ahead in both domestic and foreign affairs.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF DEFENSE HOUSING LAWS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3066) to amend defense housing laws, and for other purposes, which were, on page 9, strike out all after line 24 over to and including line 9 on page 10; and on page 10, after line 9 insert:

SEC. 12. Section 903 (c) of the National Housing Act, as amended, is hereby amended by adding at the end thereof the following new sentence: "Upon application of the mortgagee with the consent of the mortgagor of a mortgage for which a commitment to insure has been issued pursuant to

section 203 of this act covering property on which the construction of the dwellings thereon was begun prior to the enactment of this title and the determination of prevailing wages in the locality in accordance with section 212, the Commissioner is authorized, notwithstanding such beginning of construction, to convert such commitment to a commitment under section 908; any charges or fees paid to the Commissioner with respect to such insurance under section 908; and the determination of prevailing wages in the locality for purposes of section 212 may be made by the Secretary of Labor at any time prior to the insurance under section 908: *Provided*, That such mortgage, or the mortgage covering the same property executed in substitution therefor, is otherwise eligible for insurance under section 908."

SEC. 13. Section 610 of the National Housing Act, as amended, is amended by adding at the end thereof the following new paragraph:

"The Commissioner is further authorized to insure or to make commitments to insure under section 608 of this title in accordance with the provisions of this section any mortgage executed in connection with the sale by a State or municipality, or an agency, instrumentality, or body politic of either, of any permanent housing (including any property acquired, held, or constructed in connection therewith or to serve the inhabitants thereof), constructed by or on behalf of such State, municipality, agency, instrumentality, or body politic, for the occupancy of veterans of World War II, their families, and others: *Provided*, That the principal obligation of any such mortgage does not exceed either 85 percent of the appraised value of the mortgage property as determined by the Commissioner or \$8,100 per family unit for such part of such property as may be attributable to dwelling use."

Mr. MAYBANK. Mr. President, I move that the Senate disagree to the amendments of the House; request a conference with the House on the disagreeing votes of the two Houses thereon, and that the chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAYBANK, Mr. ROBERTSON, Mr. SPARKMAN, Mr. CAPEHART, and Mr. BRICKER conferees on the part of the Senate.

AMENDMENT OF SECTION 8 OF CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, which was, to strike out all after the enacting clause and insert:

That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736c), is amended by adding at the end thereof the following:

"(c) (1) The annuity of any employee or survivor of a deceased employee who, before the date of enactment of this amendment, was receiving or entitled to receive an annuity from the fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full six-month period elapsed between the commencing date of annuity and October 1, 1952: *Provided*, That such in-

crease in annuity shall not exceed the lesser of \$324 or 25 per centum of the present annuity: *Provided further*, That no annuity shall be increased to an amount in excess of \$2,000 by reason of the enactment of this amendment.

"(2) The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, on June 30, 1955, or on an earlier date under any one of the following conditions, whichever may first occur:

"(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.

"(B) On June 30, 1953, unless an appropriation is made to the civil-service retirement and disability fund in the applicable annual appropriation act, for the fiscal year 1954, or in any prior appropriation act, for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal years 1953 and 1954.

"(C) On June 30, 1954, unless an appropriation is made to the civil-service retirement and disability fund, in the applicable annual appropriation act, for the fiscal year 1955, or in any prior appropriation act, for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal year 1955."

SEC. 2. (a) There is hereby created a body to be known as the Committee on Retirement Policy for Federal Personnel, which shall be composed of a chairman appointed by the President and, ex officio, the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission.

(b) The Committee shall make a comparative study of all retirement systems for all Federal personnel and report to the Congress not later than December 31, 1953. Its report, including findings and recommendations, shall include the following:

(1) the types and amounts of retirement and other related benefits provided to Federal personnel, including their role in the compensation system as a whole;

(2) the necessity for special benefit provisions for selected employee groups, including overseas personnel and employees in hazardous occupations;

(3) the relationships of these retirement systems to one another, to the Federal employees' compensation system, and to such general systems as old-age and survivors insurance; and

(4) the current financial status of the several systems, the most desirable methods of cost determination and funding, the division of costs between the Government and the members of the systems, and the policies that should be followed in meeting the Government's portion of the cost of the various systems.

(c) The Chairman of said Committee, under such rules and regulations as the President may prescribe, is authorized to procure services pursuant to section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such attorneys and

other personnel as may be necessary to carry out the provisions of this section. There is hereby authorized to be appropriated to the President such sums as may be necessary to carry out the provisions of this section.

SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 716), is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

Mr. JOHNSTON of South Carolina. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSTON of South Carolina, Mr. PASTORE, Mr. SMATHERS, Mr. LANGER, and Mr. DUFF conferees on the part of the Senate.

WALTER DUSCHINSKY

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 523) for the relief of Walter Duschinsky, which was, to strike out all after the enacting clause and insert:

That, notwithstanding those provisions of section 4 of the Displaced Persons Act of 1948, as amended, relating to date of application for an adjustment of immigration status, the alien, Walter Duschinsky, may, at any time within 6 months following the effective date of this act, apply to the Attorney General for the adjustment of his immigration status, and notwithstanding the provisions of subsection (b) of the said section 4, other than those relating to the status at the time of entry, such alien shall, if he is otherwise qualified under the provisions of said section 4, be deemed to be a displaced person within the meaning of said section 4.

Mr. McCARRAN. This is a private immigration bill. The House has amended the Senate bill by substituting different language, placing the beneficiary in the category of an alien eligible to apply for adjustment of status under the Displaced Persons Act. There appears to be no valid reason for objection to the House amendment. Therefore, I move that the Senate concur in the amendment of the House to the bill S. 523.

The motion was agreed to.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the concurrent resolution (S. Con. Res. 76) favoring the suspension of deportation of certain aliens, which was, on page 24, after line 13, insert:

A-4581462, Szilvassy, Joseph.

A-6920123, Ortiz-Torres, Manuel or Manuel Ortiz.

A-9632210, Tountasakis, Zania Nikoas or Zonnis Tountasakis.

A-7821493, Ridgeway, Tong Suk Lee nee Lee aka Dong Shuk Lee Ridgeway.

A-4813240, Gallagher, Marjorie Alice (nee Hopkins).

A-7385522, Haring, Olga Munk.

A-7385518, Haring, Tibor James.

Mr. McCARRAN. This is a resolution dealing with the adjustment of status of certain aliens. The House has amended the resolution by adding seven names. These names have been carefully checked by the staff of the Immigration Subcommittee of the Committee on the Judiciary, and have been found of equal merit with names previously approved by the Senate. Therefore, I move that the Senate concur in the amendment of the House to Senate Concurrent Resolution 76.

The motion was agreed to.

THE CALENDAR

The VICE PRESIDENT. Under the unanimous consent agreement, the call of the calendar is now in order.

Mr. McFARLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

The clerk will proceed with the call of the calendar.

BILLS PASSED OVER

The bill (S. 32) to amend title 28, United States Code, section 456, so as to increase to \$15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as first in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. JOHNSTON of South Carolina. I object.

The VICE PRESIDENT. The Senator from South Carolina objects, and the bill goes over.

The bill (S. 618) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes was announced as next in order.

Mr. LANGER. Over.

The VICE PRESIDENT. The Senator from North Dakota.

The Chair will ask that Senators rise and address the Chair, in order that the Chair may know who it is that objects. The Senator from North Dakota objects, and the bill goes over.

The next two bills on the calendar being identical, with the bill to which objection has just been made, in the opin-

ion of the Chair, the same objection applies, and those two bills will be passed over. Calendar No. 228, House bill 36, and Calendar No. 286, House bill 2929, are accordingly passed over.

The clerk will state the next bill on the calendar.

The bill (S. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. McCARRAN. Over.

The VICE PRESIDENT. The Senator from Nevada objects.

The Chair will again ask Senators to rise and address the Chair.

Mr. McCARRAN. Mr. President, I am addressing the Chair as to Calendar No. 296, Senate bill 49.

The VICE PRESIDENT. The Senator from Nevada objects.

The joint resolution (H. J. Res. 3) proposing an amendment to the Constitution of the United States relative to equal rights for men and women was announced as next in order.

Mr. HAYDEN. Over.

The VICE PRESIDENT. The Senator from Arizona objects, and the joint resolution goes over.

S. A. HEALY CO.—BILL PLACED AT FOOT OF CALENDAR

The bill (H. R. 1590) for the reimbursement of the S. A. Healy Co. was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. CAIN. Mr. President, I should like to send to the desk an amendment to this bill, if I may.

The VICE PRESIDENT. First, is there objection to the consideration of the bill?

Mr. SCHOEPPPEL. Reserving the right to object, the Senator from Michigan [Mr. FERGUSON] has an objection to the bill, which might be met by the amendment which is to be offered, as I understand, by the distinguished Senator from Washington. Therefore, I have no objection to its being considered, to the extent of having the committee amendment acted on.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 1590) which had been reported from the Committee on the Judiciary with an amendment on page 2, line 11, after the figures "\$1,000", to insert a colon and the following proviso: "Provided, however, That the said sum of \$163,536.93 shall be accepted in full payment of every claim of every kind and character involved in this transaction by the S. A. Healy Co. and the United States."

The amendment was agreed to.

Mr. CAIN. Mr. President, I send to the desk an amendment in the nature of a substitute, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That the Secretary of the Treasury is authorized and directed to pay, from any money in the Treasury not otherwise appropriated, to the S. A. Healy Co., as the contractor under contracts Nos. NOy-12759 and NOy-12806, amounts not to exceed \$51,485.99 and \$40,887.97 under the respective contracts, as reimbursement for, and in settlement of claims certified by United States Navy audit for allowance against the United States for increased compensation resulting from action by the Government's Wage Adjustment Board in authorizing increases in the rates of wages payable under the contracts: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000: *Provided, however*, That the said amounts herein authorized to be paid shall be accepted in full payment of every claim of every kind and character involved in this transaction by the S. A. Healy Co. and the United States.

The VICE PRESIDENT. The Senator from Washington is recognized for 5 minutes.

Mr. CAIN. Mr. President, the result of this amendment would be to reduce substantially the reimbursement recommended by the committee. In the first session of the Eighty-second Congress, a bill comparable to House bill 1590 was approved by both Houses of the Congress. It was vetoed by the President. The bill, in the first session, as reported to the Senate, included the reimbursement total of \$163,536.93. The Senate, by an amendment which was adopted on the floor, reduced the amount involved, and the amendment which I have sent to the desk would do likewise. I ask unanimous consent that, because of the temporary absence of the Senator from Michigan [Mr. FERGUSON], this bill go to the foot of the calendar, to be considered at that time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

BILLS PASSED OVER

The bill (H. R. 2119) to amend sections 544 and 546 of title 28, United States Code, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, I object.

The VICE PRESIDENT. The Senator from South Carolina objects, and the bill goes over.

The bill (S. 1414) for the relief of the E. J. Albrecht Co., was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. HENDRICKSON. I ask that this bill go over.

The VICE PRESIDENT. The Senator from New Jersey objects, and the bill goes over.

The bill (S. 1376) providing for the dissolution of the Reconstruction Finance Corporation and the transfer of certain functions related to national defense heretofore vested in the Reconstruction Finance Corporation was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. McFARLAND. Over.

The VICE PRESIDENT. The Senator from Arizona objects, and the bill goes over.

AMENDMENT OF TRADING WITH THE ENEMY ACT—BILL PASSED OVER

The bill (S. 172) to amend section 32 of the Trading with the Enemy Act of 1917, as amended, was announced as next in order.

Mr. CHAVEZ. Over.

The VICE PRESIDENT. The Senator from New Mexico objects, and the bill goes over.

Mr. BUTLER of Nebraska subsequently said: Mr. President, a day or two ago, the Senate overwhelmingly approved two agreements with Germany which many of us hope will usher in a new age of friendly collaboration with our former defeated enemy.

In line with that hope, I believe it is all-important that we pass this bill S. 172, or take some similar action to show the German people that we intend to treat them fairly and as friends.

S. 172 simply provides that we permit German heirs of American citizens to receive bequests of property which have been willed to them by American citizens. At present, thousands of such properties are in the hands of the Alien Property Custodian.

In the usual case, the property is not very large in amount. Mostly, it represents an insurance policy or small savings account, or perhaps a home or business saved up by a German of German extraction, who wants his relatives back in Germany to have a little help on his death.

In a good many cases, the United States Government, through the Alien Property Custodian, has actually seized the proceeds of a GI insurance policy upon which there has been collected premiums from an American soldier or veteran. I do not think the United States Government has any moral right to confiscate the proceeds of an insurance policy which the Government itself has sold to an American soldier on the promise that the policy would go to his relatives upon his death.

Mr. President, the benefits of this legislation, if enacted, would reach into homes in every part of Germany and build more good will for the United States than any other step we could possibly take. I hope it may be passed as an indication of our new relationship with Germany and as a proof of the friendship of the United States toward the German people.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 52) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, was announced as next in order.

The VICE PRESIDENT. Is there objection?

Mr. SCHOEPEL. Over, by request.

The VICE PRESIDENT. The Senator from Kansas objects, and the bill goes over.

DESIGNATION OF ORGANIZATIONS AS SUCCESSORS IN INTEREST TO DECEASED PERSONS—BILL PASSED OVER

The bill (S. 1748) to amend section 32 of the Trading With the Enemy Act, as amended, with reference to the designation of organizations as successors in interest to deceased persons, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 32 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is hereby further amended by adding at the end thereof the following subsection:

"(h) The President may designate one or more organizations as successors in interest to deceased persons who, if alive, would be eligible to receive returns under the provisions of subdivision (C) or (D) of subsection (a) (2) thereof. An organization so designated shall be deemed a successor in interest by operation of law for the purposes of subsection (a) (1) hereof. Return may be made, to an organization so designated, (a) before the expiration of 2 years from the vesting of the property or interest in question, if the President or such officer or agency as he may designate determines from all relevant facts of which he is then advised that there is no basis for reasonable doubt that the former owner is dead and is survived by no person eligible under section 32 to claim as successor in interest by inheritance, devise, or bequest; and (b) after the expiration of such time, if no claim for the return of the property or interest is pending. Total returns pursuant to this subsection shall not exceed \$3,000,000.

"No return may be made to an organization so designated unless it files notice of claim on or before July 1, 1953, and unless it gives firm and responsible assurance approved by the President that (1) it will sell and dispose of and use the property or interest returned to it or the proceeds of any such property or interest for use directly in the rehabilitation and settlement of persons who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and (D) of subsection (a) (2) hereof, by reason of their membership in the particular political, racial, or religious group of which the former owner was a member and by reason of membership in which such former owner so suffered such deprivation of liberty or so failed to enjoy such rights; (ii) it will transfer, at any time within 2 years from the time that return is made, such property or interest or the equivalent value thereof to any person whom the President or such officer or agency shall determine to be eligible under section 32 to claim as owner or successor in interest to such owner, by inheritance, devise, or bequest; and (iii) it will make to the President, with a copy to be furnished to the Congress, such reports (in-

Mr. HART. Mr. Speaker, when the bill S. 241 came from the Senate it contained a provision authorizing tax deferments with respect to certain deposit of earnings by unsubsidized operators in construction reserve funds. That was stricken out by the House. The Senate bill also provided that in addition to the deferment granted subsidized operators on required deposits, they be granted tax deferment on normal and surtaxes on voluntary deposits. The House extended that privilege only to normal taxes.

Those were the main differences between the Senate and the House. Being unable to agree on tax deferments to subsidized operators the conference unanimously decided on dropping all reference to tax deferments from the bill, the Senate having first agreed to the elimination of tax deferments to the unsubsidized operators.

The bill as agreed on carries no other amendment of consequence, and the report of the conferees on the part of both the Senate and the House is unanimous.

Mr. Speaker, I have no requests for time on this report, and I move the previous question thereon.

Mr. Speaker, I move the previous question on the conference report.

CALL OF THE HOUSE

Mr. KEATING. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair thinks that a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 138]

Abernethy	Forrester	O'Hara
Adair	Furcolo	Patman
Allen, La.	Hall	Poage
Anderson, Calif.	Edwin Arthur	Potter
Anfuso	Harden	Powell
Armstrong	Hébert	Reece, Tenn.
Bakewell	Heller	Reed, N. Y.
Barden	Herter	Regan
Bates, Ky.	Heseltun	Richards
Beckworth	Hillings	Robeson
Bender	Hoffman, Ill.	Ross
Bentsen	Hope	Sabath
Brehm	Jenkins	Sadlak
Brown, Ohio	Johnson	St. George
Buckley	Kearney	Sasser
Burdick	Kennedy	Scott
Butler	Keogh	Hugh D., Jr.
Carlyle	Kilburn	Sheehan
Celler	Kilday	Sikes
Cole, Kans.	King, Pa.	Stigler
Cole, N. Y.	Klein	Sutton
Combs	Larcade	Tackett
Cooper	Lyle	Taylor
Davis, Tenn.	McCarthy	Teague
Davis, Wis.	Mack, Wash.	Thompson, Tex.
Dingell	Mitchell	Watts
Dolliver	Morano	Welch
Doughton	Morris	Wickersham
Elston	Morrison	Wier
Evins	Morton	Willis
Fenton	Moulder	Wolcott
Fisher	Nelson	Woodruff

The SPEAKER. On this roll call 324 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

LONG-RANGE SHIPPING BILL

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE— DEFENSE HOUSING

The SPEAKER. The Chair lays before the House a message from the Senate. The Clerk read as follows:

Resolved, That the Senate disagree to the amendments of the House of Representatives to the bill (S. 3066) entitled "An act to amend defense housing laws, and for other purposes," and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. MAYBANK, Mr. ROBERTSON, Mr. SPARKMAN, Mr. CAPEHART, and Mr. BRICKER be the conferees on the part of the Senate.

LESLIE L. BIFFLE,
Secretary.

Mr. SPENCE. Mr. Speaker, I move that the House insist on its amendments to the bill S. 3066, and agree to the conference asked by the Senate.

Mr. Speaker, this motion provides for the essential legislative process, the only way by which the differences can be ironed out.

I move the previous question, Mr. Speaker.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky [Mr. SPENCE.]

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, RAINS, GAMBLE, TALLE, and COLE of Kansas.

MESSAGE FROM THE SENATE— AMENDING CIVIL SERVICE RETIREMENT ACT

The SPEAKER. The Chair lays before the House a message from the Senate.

The Clerk read as follows:

Resolved, That the Senate disagree to the amendment of the House of Representatives to the bill (S. 2968) entitled "An act to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended," and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. JOHNSTON of South Carolina, Mr. PASTORE, Mr. SMATHERS, Mr. LANGER, and Mr. DUFF be the conferees on the part of the Senate.

LESLIE L. BIFFLE,
Secretary.

Mr. MURRAY. Mr. Speaker, I move that the House insist on its amendment to the bill S. 2968, and agree to the conference requested by the Senate.

The SPEAKER. The question is on the motion offered by the gentleman from Tennessee [Mr. MURRAY].

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. MURRAY, MILLER of California, and REES of Kansas.

AMENDING THE LEGISLATIVE REORGANIZATION ACT OF 1946

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 695 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7888) to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CORRECTION OF ROLL CALL

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to correct the RECORD and Journal on roll call No. 133 to show that I voted in the affirmative.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CORRECTION OF THE PERMANENT RECORD

Mr. ABBITT. Mr. Speaker, on last Monday I placed in the RECORD an insertion which appears at page 8698. It should have followed the address by the gentleman from Ohio [Mr. HAYS] where he offered his amendment on page 8699. I ask unanimous consent that the permanent RECORD be corrected so that my statement may follow that of the gentleman from Ohio [Mr. HAYS] speaking on his amendment to the bill H. R. 8122.

The SPEAKER. Without objection, the permanent RECORD will be corrected accordingly.

There was no objection.

EXTENSION OF REMARKS

Mr. JUDD. Mr. Speaker, on yesterday I inserted in the Appendix an address by Dr. Harold Moulton, which I am advised exceeds the regular amount allowed and will cost \$231. I ask unanimous consent that the extension may

be made, notwithstanding the additional cost.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

AMENDING THE LEGISLATIVE RE-ORGANIZATION ACT OF 1946

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Virginia. I have two or three matters that will take only a minute or two, and I wonder if it would be in order for the Speaker to recognize me to take them up at this time.

The SPEAKER. It would.

REPORTS FROM COMMITTEE ON WAYS AND MEANS

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 728, the sole purpose of which is to permit the Committee on Ways and Means to file their reports during the recess of the House.

The Clerk read the resolution, as follows:

Resolved, That House Resolution 78, as amended, is further amended by inserting at the end thereof the following paragraph:

"The committee may report to the House at any time during the present Congress the results of any studies or investigations made under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORTS FROM COMMITTEE ON BANKING AND CURRENCY

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 729 with respect to reports from the Committee on Banking and Currency.

The Clerk read the resolution, as follows:

Resolved, That House Resolution 436 is amended by adding at the end thereof the following paragraph:

"The committee may report to the House at any time during the present Congress the results of any study or investigation conducted under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR MEMBERS OF COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS TO SERVE ON OTHER COMMITTEES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 647.

This resolution was considered yesterday, having for its purpose to permit minority members of the Committee on Expenditures in the Executive Departments to serve on other committees. There was a question about it yesterday because we really did not include the same privileges to the members of the Committee on House Administration.

There is an amendment here which I shall offer if permitted which will extend the same privilege to the Committee on House Administration.

The Clerk read the resolution, as follows:

Resolved, That clause (a) 8 of rule X of the Rules of the House of Representatives is amended by striking out "Committee on Expenditures in the Executive Departments" and inserting in lieu thereof "Committee on Government Operations."

Clause (b) (3) of rule X is amended to read as follows:

"All vacancies in standing committees in the House shall be filled by election by the House. Each Member shall be elected to serve on one standing committee and no more; except that Members who are elected to serve on the Committee on the District of Columbia, Committee on Government Operations, or on the Committee on Un-American Activities may be elected to serve on two standing committees and no more, and Members of the majority party who are elected to serve on the Committee on House Administration may be elected to serve on two standing committees and no more."

Clause (1) (h) (1) of rule XI is amended by striking out "Committee on Expenditures in the Executive Departments" and inserting in lieu thereof "Committee on Government Operations."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, as I understand this amendment gives to the Committee on House Administration the same privileges that the Committee on Expenditures has.

Mr. SMITH of Virginia. That is my understanding.

Mr. HOFFMAN of Michigan. I have no objection to their riding along on the bill.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. The gentleman from Virginia referred to the possibility of of-

fering such an amendment; what is the parliamentary situation?

The SPEAKER. If consent for consideration of this resolution is granted the gentleman from Virginia said he would offer the amendment.

Is there objection to the present consideration of the resolution?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia:

Page 1, line 12, after the word "operations", strike out the words "or on."

And on page 2, line 1, after the word "activities", strike out the words "may be elected to serve on two standing committees and no more and members of the majority party who are elected to serve on" and insert the word "or."

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE LEGISLATIVE RE-ORGANIZATION ACT OF 1946

Mr. SMITH of Virginia. Does the gentleman from Illinois have any requests for time?

Mr. ALLEN of Illinois. Yes; does not the gentleman have requests for time?

Mr. SMITH of Virginia. No, I do not.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use of my 30 minutes.

Mr. Speaker, I think this resolution attempts to do something logical. I think, however, the membership should know that when the ranking member of the Committee on Appropriations [Mr. TABER] as well as the Chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], came before the Committee on Rules I asked both whether they needed this extra staff.

As you know, this bill provides for a joint committee of the Senate and House for the purpose of having expert economists and financiers for the Committee on Appropriations. When they came before the Committee on Rules I naturally wanted to know the attitude of the Chairman of the Committee on Appropriations and the ranking minority member of the committee because, after all, they are the two most important members who will be on this joint committee; so I asked both if they felt it was necessary to have this additional staff, whether they could accomplish any useful or necessary purpose or any necessary function which would give the Congress of the United States or the Committee on Appropriations a better knowledge of the working departments of the Government.

The gentleman from Missouri, [Mr. CANNON], Chairman of the Committee on Appropriations, who would have much to say in the appointment of the staff and who would naturally be more important in regard to the supervision of that staff said definitely not, or substantially those words. The gentleman

Speech in the House by Rep. Multer stating that the defense production bill was not good but was better than having no controls at all (pp. A4454-5).

51. APPROPRIATION INVESTIGATIONS. Extension of remarks of Rep. Bates discussing his proposed bill to amend the Legislative Reorganization Act of 1946 so as to provide the Armed Services and Appropriations Committees with staffs adequate to keep them fully informed (p. 4455).
52. FARM PROGRAM. Extension of remarks of Rep. Hill discussing the principle of "parity," outlining the history of some of the basic agricultural laws, and commending USDA programs for aid to the farmer (pp. A4458-9).
53. RETIREMENT. Speech in the House by Rep. McDonough favoring an increase in pensions for retired Federal employees (p. A4458).

HOUSE - July 4

54. DEFENSE APPROPRIATION BILL, 1953. Agreed to the conference report on this bill, H. R. 7391 (pp. 9517, 9482-97). The conferees agreed to add cotton and re-processed and reused wool to the provision governing procurement of food and clothing not produced in the U. S.
55. STATE, JUSTICE, COMMERCE, JUDICIARY APPROPRIATION BILL, 1953. Agreed to the conference report on this bill, H. R. 7289 (pp. 9517, 9498-504). The conferees agreed on a provision that no appropriation may be used for U. S. membership in the International Materials Conference but explained that this does not preclude the State Department from observing the activities as a non-member; fixed the census of agriculture item at \$120,700 (House figure, \$125,000; Senate, \$116,382); and agreed to \$5,750,000 (House figure; Senate, \$5,504,300) for export control, Commerce Department.
56. PERSONNEL RETIREMENT. Received the conference report on S. 2968, to increase the annuities of certain retired Federal employees (pp. 9511-12, ~~9517~~).
57. RURAL HOUSING. By a 295-22 vote, agreed to the conference report on S. 3066, to amend the housing laws. One provision of this bill extends the rural-housing program, administered by this Department, for 1 year. (pp. 9450-53.) This bill will now be sent to the President.
58. SUPPLEMENTAL APPROPRIATION BILL, 1953. House conferees were appointed on this bill, H. R. 8370 (p. 9451). Senate conferees were appointed July 3.
59. WITHHOLDING PAY. Vacated proceedings of passage on July 3 of S. 1999, providing for the withholding of pay from Federal employees for State and local income-tax purposes, and again passed the bill with a correcting amendment that provided new language (pp. 9447-8).
60. PROPERTY; ADMINISTRATIVE SERVICES. Agreed to the Senate amendments to H. R. 5350, to amend the Federal Property and Administrative Services Act of 1949 (pp. 9464-5). For provisions see item 28. This bill will now be sent to the President.
61. SCHOOL LUNCH PROGRAM. Agreed to the Senate amendments to H. R. 1732, to increase the allotments for school lunches to Alaska, Hawaii, Guam, Puerto Rico, and the Virgin Islands (p. 9465). This bill will now be sent to the President.
62. RECLAMATION. Agreed to a Senate amendment to H. R. 6163, providing the basis

- for authorization of a study and report of irrigation works in connection with Chief Joseph Dam, and to provide for financial assistance thereto from power revenues (p. 9506). This bill will now be sent to the President.
63. VETERANS' PREFERENCE. Agreed to a Senate amendment to H. R. 7721, extending the Veterans' Preference Act of 1944 to persons serving in the armed forces after World War II and prior to July 2, 1955 (p. 9507). This bill will now be sent to the President.
64. CENSUS. Agreed to a Senate amendment to H. R. 7202, to provide that a census of agriculture be taken in Oct. 1954 and the same month in each tenth year thereafter (p. 9507). This bill will now be sent to the President.
65. PERSONNEL. Agreed to the Senate amendments to H. R. 7806, to authorize participation by certain Federal employees, without loss of pay or deduction from annual leave, in funerals for deceased members of the armed forces returned from abroad for burial (p. 9507). This bill will now be sent to the President.
66. FOREIGN TRADE. Agreed to a Senate amendment to H. R. 6845, to continue until June 30, 1953, the suspension of duties and import taxes on metal scrap, etc. (p. 9508). This bill will now be sent to the President.
67. PATENTS. Agreed to a Senate amendment to H. R. 7794, to revise and codify the laws relating to patents (p. 9508). This bill will now be sent to the President.
68. EDUCATION. Passed as reported H. R. 7494, to encourage the development and growth of the educational fine arts in State and land-grant colleges and other non-profit schools and organizations (p. 9466).
69. WATER COMPACT. Agreed to the Senate amendments to H. R. 2470, granting consent for an interstate compact regarding Columbia River waters (p. 9468). This bill will now be sent to the President.
70. PERSONNEL; PATENTS. Agreed to a Senate amendment to H. R. 3975, permitting a Government employee, and his joint patentee, not in government service, who make an invention completely outside of official functions, to maintain a suit against the Government (pp. 9510-11). This bill will now be sent to the President.
71. TRANSPORTATION. Passed with amendment S. 3161, to provide for filing of equipment trust agreements on railroad equipment (p. 9511).
72. FLAMMABLE MATERIALS. The Interstate and Commerce Committee ordered reported (but did not actually report) S. 2918, to prohibit movement in interstate commerce of highly flammable wearing apparel and fabrics (p. D706).
73. MISSOURI BASIN. Received from this Department a supplemental report on the Missouri Basin Agricultural Program (H. Doc. 530)(p. 9516).
74. SOCIAL SECURITY. Extension of remarks of Rep. Garnatz supporting H. R. 7800, to increase retirement benefits under the Social Security Act (pp. 9504-5).
75. WEATHER CONTROL. Received the fourth interim report by the Chief of the Weather Bureau on the study of causes and characteristics of thunderstorms; to Interstate and Foreign Commerce Committee (pp. 9516-7).

PROVIDING COST-OF-LIVING INCREASE IN FEDERAL EMPLOYEE ANNUITIES

JULY 4, 1952.—Ordered to be printed

Mr. MURRAY, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 2968]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: *That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736c), is amended by adding at the end thereof the following:*

“(c) (1) *The annuity of any retired employee or of any survivor of a deceased or retired employee who, before the date of enactment of this amendment, was receiving or entitled to receive an annuity from the civil-service retirement and disability fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full six-month period elapsed between the commencing date of annuity and October 1, 1952: Provided, That such increase in annuity shall not exceed the lesser of \$324 or 25 per centum of the present annuity: Provided further, That no annuity shall be increased to an amount in excess of \$2,160 by reason of the enactment of this amendment: And provided further, That the increases to retired employees provided by this subsection shall not operate to increase the annuities of their survivors.*

“(2) *The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, on June 30, 1955, or on an*

earlier date under any one of the following conditions, whichever may first occur:

"(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.

"(B) On June 30, 1954, unless an appropriation is made to the civil-service retirement and disability fund in the applicable annual appropriation Act, for the fiscal year 1955, or in any prior appropriation Act, for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal years 1954 and 1955."

SEC. 2. (a) There is hereby created a body to be known as the Committee on Retirement Policy for Federal Personnel, which shall be composed of a chairman appointed by the President and, ex officio, the Secretary of the Treasury, the Secretary of Defense, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission.

(b) The Committee shall make a comparative study of all retirement systems for all Federal personnel and report to the Congress not later than December 31, 1953. Its report, including findings and recommendations, shall include the following:

(1) the types and amounts of retirement and other related benefits provided to Federal personnel, including their role in the compensation system as a whole;

(2) the necessity for special benefit provisions for selected employee groups, including overseas personnel and employees in hazardous occupations;

(3) the relationships of these retirement systems to one another, to the Federal employees' compensation system, and to such general systems as old-age and survivors insurance; and

(4) the current financial status of the several systems, the most desirable methods of cost determination and funding, the division of costs between the Government and the members of the systems, and the policies that should be followed in meeting the Government's portion of the cost of the various systems.

(c) The Chairman of said Committee, under such rules and regulations as the President may prescribe, is authorized to procure services pursuant to section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such attorneys and other personnel as may be necessary to carry out the provisions of this section. There are hereby authorized to be appropriated to the President such sums as may be necessary to carry out the provisions of this section.

SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 716), is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a

waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

And the House agree to the same.

TOM MURRAY,
GEORGE P. MILLER,
EDWARD H. REES,

Managers on the Part of the House.

OLIN D. JOHNSTON,
JOHN O. PASTORE,
GEORGE SMATHERS,
WILLIAM LANGER,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment strikes out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, and except for technical and clarifying drafting changes, the conference substitute is the same as the House amendment.

The first section of the Senate bill added to section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, a new subsection (c) which provided for increases in annuities of retired employees. The House amendment granted the same increases to retired employees and, in addition, granted such increases to survivors now receiving or entitled to receive annuities. The Senate bill did not limit the aggregate annuity which might be received by reason of any increase granted in such subsection. The House amendment provided that no such aggregate annuity shall be in excess of \$2,000. Under the conference substitute, no such aggregate annuity shall exceed \$2,160.

The conference substitute adds to paragraph (1) of such subsection (c) a proviso which makes it clear that the increases granted by such paragraph (1) shall not apply to future annuities of survivors of retired employees who receive increases under such paragraph (1). This proviso was contained in the Senate bill.

Paragraph (2) of the new subsection (c) as contained in the House amendment provided for termination of the annuity increases on June 30, 1955, or for termination on an earlier date if certain conditions occurred.

Under subparagraph (B) of such paragraph (2) the annuity increases would terminate on June 30, 1953, unless an appropriation were made to the civil-service retirement and disability fund in order to finance the increases payable during the fiscal years 1953 and 1954. Under subparagraph (C) of such paragraph (2) the annuity increases would terminate on June 30, 1954, unless a corresponding appropriation were made to finance such increases for the fiscal year 1955.

Under the conference agreement these subparagraphs were combined and modified so as to provide for termination of the annuity increases on June 30, 1954, unless an appropriation is made to finance the increases payable during the fiscal years 1954 and 1955.

Section 2 of the House amendment created a Committee on Retirement Policy for Federal Personnel, to be composed of five members, which was to make a comparative study of all retirement systems for all Federal personnel and submit a report to the Congress not later than December 31, 1953. Section 2 of the conference substitute contains provisions identical to those of the House amendment with respect to such committee, except that the membership of the committee is increased to include the Secretary of Defense.

TOM MURRAY,
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Managers on the Part of the House.

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lished by the courts. If title is in the employee and he is not in a position to influence or induce the use of the invention by the Government, he is accorded the right to bring a suit against the Government in the Court of Claims.

Under the present law, a joint patentee, not in the service or employment of the Government, because of the indivisibility of the patent right, is under the same disability as regards the right to sue the United States as is his copatentee in the Government service. The present bill, would remove that disability as far as inventions wholly unrelated to the Government employees' official functions are concerned.

The bill would afford ample safeguards against any improper action by a patentee in the Government service in furtherance of his own interests and at the same time would remove the inequitable and unnecessary provision of the present law which is applicable to all employees of the Government, regardless of the relation of their inventions to their official functions.

AMENDING PART I OF THE INTER-STATE COMMERCE ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3161) to amend part I of the Interstate Commerce Act to provide for filing of equipment trust agreements and other documents evidencing or relating to the lease, mortgage, conditional sale, or bailment of railroad equipment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That part I of the Interstate Commerce Act, as amended (U. S. C., title 49), is hereby amended by inserting, after section 20b, the following new section:

"SEC. 20c. Any mortgage, lease, equipment trust agreement, conditional sale agreement, or other instrument evidencing the mortgage, lease, conditional sale, or bailment of railroad cars, locomotives, or other rolling stock, used or intended for use in connection with interstate commerce, or any assignment of rights or interest under any such instrument, or any supplement or amendment to any such instrument or assignment (including any release, discharge or satisfaction thereof, in whole or in part), may be filed with the Commission, provided such instrument, assignment, supplement or amendment is in writing, executed by the parties thereto, and acknowledged or verified in accordance with such requirements as the Commission shall prescribe; and any such instrument or other document, when so filed with the Commission, shall constitute notice to and shall be valid and enforceable against all persons including, without limitation, any purchaser from, or mortgagee, creditor, receiver, or trustee in bankruptcy of, the mortgagor, buyer, lessee or bailee of the equipment covered thereby, from and after the time such instrument or other document is so filed with the Commission; and such instrument or other document need not be otherwise filed, deposited, registered or recorded under the provisions of any other law of the United States of America, or of any State (or political subdivision thereof), ter-

ritory, district or possession thereof, respecting the filing, deposit, registration or recordation of such instruments or documents." The Commission shall establish and maintain a system for the recordation of each such instrument or document, filed pursuant to the provisions of this section, and shall cause to be marked or stamped thereon, a consecutive number, as well as the date and hour of such recordation, and shall maintain, open to public inspection, an index of all such instruments or documents, including any assignment, amendment, release, discharge or satisfaction thereof, and shall record in such index the names and addresses of the principal debtors, trustees, guarantors and other parties thereto, as well as such other facts as may be necessary to facilitate the determination of the rights of the parties to such transactions.

Mr. HARRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Page 2, line 23, strike out the quotation marks and on page 3, line 10, insert quotation marks.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFEREES ON H. R. 2968

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that the conferees on the bill (H. R. 2968) may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The conference report and statement follows:

CONFERENCE REPORT (H. REPT. No. 2487)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736c), is amended by adding at the end thereof the following:

"(c) (1) The annuity of any retired employee or of any survivor of a deceased or retired employee who, before the date of enactment of this amendment, was receiving or entitled to receive an annuity from the civil-service retirement and disability fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full six-month period elapsed between the commencing date of annuity and October 1, 1952: *Provided*, That such increase in annuity shall not exceed the lesser of \$324 or 25 per centum of the present annuity: *Provided further*, That no annuity shall be increased to an amount in excess of \$2,160 by reason of the enactment of this amendment: *And provided further*, That the increases to retired employees provided by this subsection shall not operate to increase the annuities of their survivors.

"(2) The increases in annuity provided by this subsection shall be paid from the civil-

service retirement and disability fund, and shall terminate, without subsequent resumption, on June 30, 1955, or on an earlier date under any one of the following conditions, whichever may first occur:

"(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection.

"(B) On June 30, 1954, unless an appropriation is made to the civil-service retirement and disability fund in the applicable annual appropriation Act, for the fiscal year 1955, or in any prior appropriation Act, for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal years 1954 and 1955."

"SEC. 2. (a) There is hereby created a body to be known as the Committee on Retirement Policy for Federal Personnel, which shall be composed of a chairman appointed by the President and, ex officio, the Secretary of the Treasury, the Secretary of Defense, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission.

"(b) The Committee shall make a comparative study of all retirement systems for all Federal personnel and report to the Congress not later than December 31, 1953. Its report, including findings and recommendations, shall include the following:

"(1) the types and amounts of retirement and other related benefits provided to Federal personnel, including their role in the compensation system as a whole;

"(2) the necessity for special benefit provisions for selected employee groups, including overseas personnel and employees in hazardous occupations;

"(3) the relationships of these retirement systems to one another, to the Federal employees' compensation system, and to such general systems as old-age and survivors insurance; and

"(4) the current financial status of the several systems, the most desirable methods of cost determination and funding, the division of costs between the Government and the members of the systems, and the policies that should be followed in meeting the Government's portion of the cost of the various systems.

"(c) The Chairman of said Committee, under such rules and regulations as the President may prescribe, is authorized to procure services pursuant to section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such attorneys and other personnel as may be necessary to carry out the provisions of this section. There are hereby authorized to be appropriated to the President such sums as may be necessary to carry out the provisions of this section.

"SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 716), is amended by adding at the end thereof the following paragraph:

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made

covering the period during which such waiver was in effect."

And the House agree to the same.

TOM MURRAY,
GEORGE P. MILLER,
EDWARD H. REES,

Managers on the Part of the House.

OLIN D. JOHNSTON,
JOHN O. PASTORE,
GEORGE A. SMATHERS,
WILLIAM LANGER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment strikes out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, and except for technical and clarifying drafting changes, the conference substitute is the same as the House amendment.

The first section of the Senate bill added to section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, a new subsection (c) which provided for increases in annuities of retired employees. The House amendment granted the same increases to retired employees and, in addition, granted such increases to survivors now receiving or entitled to receive annuities. The Senate bill did not limit the aggregate annuity which might be received by reason of any increase granted in such subsection. The House amendment provided that no such aggregate annuity shall be in excess of \$2,000. Under the conference substitute, no such aggregate annuity shall exceed \$2,160.

The conference substitute adds to paragraph (1) of such subsection (c) a proviso which makes it clear that the increases granted by such paragraph (1) shall not apply to future annuities of survivors of retired employees who receive increases under such paragraph (1). This proviso was contained in the Senate bill.

Paragraph (2) of the new subsection (c) as contained in the House amendment provided for termination of the annuity increases on June 30, 1955, or for termination on an earlier date if certain conditions occurred.

Under subparagraph (B) of such paragraph (2) the annuity increases would terminate on June 30, 1953, unless an appropriation were made to the civil-service retirement and disability fund in order to finance the increases payable during the fiscal years 1953 and 1954. Under subparagraph (C) of such paragraph (2) the annuity increases would terminate on June 30, 1954, unless a corresponding appropriation were made to finance such increases for the fiscal year 1955.

Under the conference agreement these subparagraphs were combined and modified so as to provide for termination of the annuity increases on June 30, 1954, unless an appropriation is made to finance the increases payable during the fiscal years 1954 and 1955.

Section 2 of the House amendment created a Committee on Retirement Policy for Federal Personnel, to be composed of five members, which was to make a comparative study of all retirement systems for all Federal personnel and submit a report to the Congress

not later than December 31, 1953. Section 2 of the conference substitute contains provisions identical to those of the House amendment with respect to such committee, except that the membership of the committee is increased to include the Secretary of Defense.

TOM MURRAY,
GEORGE P. MILLER,
EDWARD H. REES,

Managers on the Part of the House.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 20 minutes.

EIGHTY-SECOND CONGRESS, SECOND SESSION, FINAL REPORT, RECORD AND FORECAST

[Mr. JAVITS addressed the House. His remarks will appear hereafter in the Appendix]

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

[Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks.]

UPRISINGS IN KOREA AND JAPAN

Mrs. ROGERS of Massachusetts. Mr. Speaker, first of all I would like to call the attention of the House to a document that came to the State Department yesterday, July 3, in answer to my resolution, House Resolution 664, a resolution of inquiry, regarding communistic uprisings in Japan. The letter is in the CONGRESSIONAL RECORD, and I understand that the Committee on Foreign Affairs has very voluminous documents on the subject. I felt, when I introduced that resolution, that the public is entitled to know what is going on in the matter of communistic uprisings in Japan and Korea and all over that area. It is a very vital matter to all of us. I have felt that the tendency was to hide all the unpleasantness and forget it. That is not the American way of doing.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. DONDERO] is recognized for 10 minutes.

WILLIAM W. BLACKNEY, TEACHER, LAWYER, STATESMAN

Mr. DONDERO. Mr. Speaker, I rise to pay tribute to my distinguished colleague and friend from Michigan, the Honorable WILLIAM W. BLACKNEY. He is one of the 38 Members of this body withdrawing from public service.

His has been an outstanding and illustrious career: school teacher, lawyer, statesman. He is one of the best-informed men in the country on the genesis and substance of the American Constitution.

Here in the House of Representatives, where he served the Nation for 16 years, he has been known by his colleagues for his quiet, studious, and careful attention to legislation. He never failed in his defense of the basic principles on which the Nation was founded. He discharged his trust and responsibility to his people and the Nation with ability and distinction.

Our colleague possesses one of the finest private libraries in this country. He started his library when he was a school teacher, then only 16 years of age. As the years went by, his library gradually grew. During the 10 years he was teaching school, many books on education were added; during the many years he practiced law, numerous volumes on the Constitution and the Government were added.

Now his library consists of more than 6,000 volumes, and is widely diversified in character. He has more than 200 books on constitutional problems; nearly 200 books on the Bible and biblical literature; hundreds more dealing with history and biography. The library also includes many standard books of fiction, such as Scott, Dickens, Thackeray, Shakespeare, Robert Louis Stevenson, Kipling, and others.

This library, accumulated over a period of 50 or more years, fills 6 rooms of his home at Flint, Mich. It is widely used by friends and constituents who are interested in finding certain books that are not available in the public library.

His theory of a private library is that it should fit the changing moods of the mind. If in a serious mood, then one studies solid and heavy works; when fatigued by the problems of life, then one turns to books written in lighter vein.

It has been my privilege to have known BILL, as he was affectionately called by his colleagues and host of friends, for many years before he came to Congress. He was a leader and prominent citizen in his home city of Flint long before he was elected to the House of Representatives.

He will be missed in this Chamber. He takes with him, from us his colleagues, best wishes for his future health and happiness. He richly deserves that satisfaction and reward as he lays aside the toga of a useful and busy life.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. CUNNINGHAM. I wish to concur in all that the gentleman from Michigan [Mr. DONDERO] has said about our beloved colleague, BILL BLACKNEY. I sincerely regret he is leaving even though it is of his own volition. Ever since I came to the Congress, he has been one of the truest and finest friends I have known. It happens that BILL BLACKNEY and I are graduates of the same law school, except that the year that he graduated was the year that I entered. Therefore, we have much in common. Not only for myself, but for every member of the Iowa delegation, I wish to say a word of appreciation of BILL BLACKNEY. He has been a tower of strength to all of us here, and we all sincerely regret his decision to retire.

July 4-5, 1952

bill (pp. 9545-6).

ITEMS IN APPENDIX - July 4

97. COOPERATIVES. Rep. McCarthy inserted Secretary Brannan's memorandum outlining USDA's policy regarding cooperatives (pp. A4476-7).
98. ELECTRIFICATION. Extension of remarks of Rep. Price commending the REA program and stating that "progress that has been made...is a monument to farm people themselves" (pp. A4479-80).
99. INFORMATION. Sen. Wiley discussed the "tremendous power wielded by the executive agencies by virtue of the legions of publicity experts" and inserted a Milwaukee Journal article claiming that the Forest Service sends out publicity materials that are not wanted (p. A4491).
100. COTTON. Rep. Cooley inserted a newspaper editorial commending the efforts of Rep. Abernethy in behalf of the cotton farmers (pp. A4463-4).
101. PRICE CONTROL. Rep. Bolling inserted a Washington Evening Star editorial criticizing the reduction in OES appropriations (p. A4462).
102. HEALTH. Speech in the House by Rep. Fogarty favoring increased expenditures by the Federal Government for health research (pp. A4461-2).
103. RETIREMENT. Speech in the House by Rep. Springer favoring a cost-of-living increase in annuities of retired Federal employees (pp. A4478-9).
104. FARM PROGRAM. Rep. Madden inserted his recent speech before the Indiana Democratic Convention discussing "today's farm prosperity through USDA programs" and commending REA (pp. A4498-500).
105. BUDGETING. Speech in the House by Rep. Colmer urging passage of the bill to create a joint budget committee and provide for additional investigations of the appropriation needs of Federal agencies (pp. A4495-6).

HOUSE - July 5

106. PRICE SUPPORTS. Both Houses agreed to the conference report on H. R. 8122, to continue the dual parity formula through 1955 and to require 90%-of-parity price supports on basic commodities through 1954 (pp. 9761, 9640-3, 9723-4). This bill will now be sent to the President. The conferees agreed to reinstate the 90% provision with an amendment which makes it applicable only to the 1953 and 1954 crops instead of the 1953, 1954, and 1955 crops as provided in the House version. They accepted the sections providing for price support for the 1953 crop of extra-long-staple cotton but with a modification of the basis for determining the level of support from a cost-of-production factor to the relationship between the farm price of long-staple cotton and the farm price of American upland cotton in the 7 years 1936-42 inclusive. (The committee stated that this will result in a support price for extra-long-staple cotton about 2.3 times the support price of short-staple cotton. The conferees changed the penalty rate for long-staple cotton from 50% of the parity price to a penalty of 50% of the parity price or 50% of the support price, whichever is higher. Rep. Hoeven had been appointed to replace Rep. Hill as a conferee on this bill (p. 9687).
107. SUBMARGINAL LANDS. Agreed to a Senate amendment to H. R. 7317, providing for

sale of a tract of SCS submarginal land to Hope, N. Mex. (p. 9687). This bill will now be sent to the President.

108. SOCIAL SECURITY. Both Houses adopted the conference report on H. R. 7800, to increase old-age and survivors benefits under the Social Security Act (pp. 9761, 9644-6, 9724-35). This bill will now be sent to the President. The conferees increased the income limitation to \$75 a month and deleted the Case amendment concerning agricultural workers.
109. CHEMICALS IN FOODS. Rep. Abernethy was authorized to file minority views on the investigation of the use of chemicals in foods and cosmetics (H. Rept. 2356, part 2), and the Select Committee on this matter submitted its report (pp. 9691, 9751).
110. ECONOMIC GROWTH. Rep. Burnside spoke on the economic growth of W. Va. in the last 20 years including the improved situation of the farmer (pp. 9708-12).
111. SUPPLEMENTAL APPROPRIATION BILL, 1953. Agreed to the conference report on this bill, H. R. 8370, and acted on amendments in disagreement (pp. 9746-50). The conferees agreed to the Senate amendment (with a clarifying provision) to the House amendment (by Rep. Whitten) regarding sale of agricultural commodities, but stated that "The committee does not intend that the quantity of American agricultural products or commodities be reduced below that heretofore purchased because of this language." The conferees also fixed the appropriations for Defense Production Administration at \$2,750,000, Economic Stabilization Agency at \$60,000,000, and Federal Civil Defense Administration at \$8,000,000; and fixed the price which may be paid for automobiles at \$1,400. The provision for a transmission line in Minn. was stricken "with the understanding that it will be given very careful consideration if it is proposed in the budget for 1954." The House concurred in the Senate amendments to provide \$190,000 additional for SCS water conservation and utilization projects and \$125,000 for sea-water research through the Interior Department.
- Later the Senate rejected the conference report on this bill and asked for a further conference on the amendments in disagreement. The House subsequently adopted the second conference report. The "Daily Digest" states, "Action on this further conference was pending when this issue went to press," and it is our understanding that the Senate recessed until Mon., July 7, without completing action on this measure. (pp. 9746-50, 9774-83, D708, D710.)

SENATE - July 5

112. STATE, JUSTICE, COMMERCE APPROPRIATION BILL, 1953. Agreed to the conference report on this bill, H. R. 7289 (pp. 9622-5). This bill will now be sent to the President.
113. DEFENSE DEPARTMENT APPROPRIATION BILL, 1953. Both Houses agreed to the conference report on this bill, returned the bill to conference for further consideration of amendments which had been reported in disagreement, and agreed to the second conference report (pp. 9634-40, 9751, 9784). This bill will now be sent to the President.
114. PERSONNEL RETIREMENT. Both Houses agreed to the conference report on S. 2968, to provide for increased annuities under the Civil Service Retirement Act. The conferees increased the limitation to \$2,160 yearly, made the increases effective through June 1954, and added the Secretary of Defense to the committee that will make a comprehensive survey of the retirement systems. (pp. 9622, 9675-6.) This bill will now be sent to the President.

taken to promote a lasting peace in this war-torn and troubled world. He has been unselfish in what he has done. In many instances he has been willing to step aside and let others do work which was properly his own, in order to bring about better harmony in our bipartisan efforts to promote peace.

Mr. President, TOM CONNALLY has not been merely a Senator who has become a great statesman. He has been a true representative of the people of the great State of Texas. He has fought for many projects in behalf of Texas on the floor of the Senate. He has always been willing to help new Senators with advice when they came to the Senate. I am proud to be numbered among those Senators. I am proud to have been considered a friend of TOM CONNALLY.

Mr. President, I have not the words properly to describe the career of this great statesman. His record speaks for itself.

PRIORITY OF RECOGNITION

The VICE PRESIDENT. The Chair wishes to make an announcement for the information of the Senate. Inasmuch as this is the last day of this session of Congress the Chair feels that it is his duty to give priority of recognition to Senators who wish to bring up conference reports and other necessary measures which must be passed upon before Congress adjourns.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, notified the Senate that Mr. HOEVEN, of Iowa, had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8122) to continue the existing method of computing parity prices for basic agricultural commodities, and for other purposes, vice Mr. HILL, excused.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8120) to authorize certain construction at military and naval installations, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2572) to provide for the alteration, reconstruction, or relocation of certain highway and railroad bridges over the Columbia River or its navigable tributaries.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 6839. An act to modify and extend the authority of the Postmaster General to lease quarters for post-office purposes; and

H. R. 7317. An act authorizing the conveyance of certain lands to the town of Hope, N. Mex.

ENROLLED BILLS SIGNED

The message also further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 241. An act to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes;

S. 1041. An act to provide for the eradication and control of *Halogeton glomeratus* on lands in the United States, and for other purposes;

S. 2922. An act to amend subsection (d) of section 12 of the Subversive Activities Control Act of 1950;

H. R. 657. An act for the relief of Tony Marchiondo;

H. R. 707. An act for the relief of John Michael Ancker Rasmussen;

H. R. 728. An act for the relief of Mrs. Mildred Lewis Morgan;

H. R. 765. An act for the relief of John George Papailias;

H. R. 954. An act for the relief of Elvira Suzanne Oosterwyk;

H. R. 963. An act for the relief of Chu Bud Yick;

H. R. 1092. An act for the relief of Mrs. Mercedes Hernandez Saguar;

H. R. 1151. An act for the relief of Sumiko Yamamoto;

H. R. 1448. An act for the relief of Mr. and Mrs. Charles Fuxman and their two daughters;

H. R. 1464. An act for the relief of Arokiaswami Arumai Singh;

H. R. 1477. An act for the relief of Linda Azar Karam Batrouny;

H. R. 1490. An act for the relief of Henryk Kramarski;

H. R. 1718. An act for the relief of Mrs. Tomiko Munakata Millhollin;

H. R. 1758. An act to amend section 824 of the Code of Laws for the District of Columbia;

H. R. 1814. An act to authorize the admission of Flora Fung Wah Miu Wong to the United States;

H. R. 1838. An act for the relief of Fong Bat Woon and Fong Get Nan;

H. R. 1843. An act for the relief of Naham Abdo Haj Moussa;

H. R. 1849. An act for the relief of the alien Malke Kresel Mohrer;

H. R. 2073. An act for the relief of Mr. and Mrs. Thomas H. Campbell;

H. R. 2166. An act for the relief of Sister Anita (Vincenzina Di Franco);

H. R. 2351. An act for the relief of Naoki and Yoshiki Sakamoto;

H. R. 2405. An act for the relief of Food Service of Evansville, Inc.;

H. R. 2447. An act for the relief of George M. Sanger;

H. R. 2606. An act for the relief of Dimitra Gaitanis;

H. R. 2635. An act for the relief of Mrs. Sumako Egashira;

H. R. 2713. An act for the relief of Lt. Comdr. Evan L. Krogh;

H. R. 2716. An act for the relief of Kuni-gunde Beldie;

H. R. 2774. An act for the relief of Helen J. Lumley and Kirsten-Jessen Schmidt;

H. R. 2789. An act for the relief of Howard S. Lawson; Winifred G. Lawson, his wife; Walter P. Lawson; and Nita R. Lawson, his wife;

H. R. 2856. An act for the relief of Jan J. Wojciechowski;

H. R. 2860. An act for the relief of Inez Pryer (Sister Mary Carmel);

H. R. 2906. An act for the relief of Kenji Kusumoto;

H. R. 2913. An act for the relief of Mrs. Evelyn Campbell;

H. R. 3071. An act for the relief of Vito Aiuto.

H. R. 3157. An act for the relief of Anny Scher;

H. R. 3211. An act for the relief of the Alma Cooperative Equity Exchange, Alma, Nebr., and others;

H. R. 3275. An act for the relief of Miyoko Nakagawa;

H. R. 3280. An act for the relief of Mrs. Emi Yasuda and her minor son, Keichiro Yasuda;

H. R. 3334. An act for the relief of Paul Busbey;

H. R. 3382. An act for the relief of Haruyo Takahashi;

H. R. 3438. An act to amend the act entitled "An act relating to the compensation of commissioners for the Territory of Alaska," approved March 15, 1948 (62 Stat. 80);

H. R. 3564. An act for the relief of Reuben Krakovsky;

H. R. 3592. An act for the relief of Paul Tse, James Tse, and Bennie Tse.

H. R. 3705. An act for the relief of the legal guardian of William Mooney;

H. R. 3727. An act for the relief of the Professional Arts Building Corp.;

H. R. 3774. An act for the relief of Dr. David M. Ju;

H. R. 3778. An act for the relief of Wong See Sun;

H. R. 3810. An act for the relief of Aldo Valles;

H. R. 3858. An act for the relief of Mr. and Mrs. Peter Copeyon;

H. R. 3969. An act for the relief of Franco Berardi;

H. R. 4001. An act for the relief of Dr. Manuel Magtalis Geronimo and Dr. Rita Villaroman Geronimo;

H. R. 4002. An act for the relief of Sandra E. Dennett;

H. R. 4197. An act to withdraw and restore to its previous status under the control of the Territory of Hawaii certain Hawaiian home lands required for the use of the Board of Water Supply of the City and County of Honolulu for the location of a water shaft, pump station, and tunnel, and to amend section 203 of the Hawaiian Homes Commission Act, 1920, so as to confer upon certain lands of Auwailohimu, Kewalo-Uka, and Kalawahine, on the island of Oahu, Territory of Hawaii, the status of Hawaiian home lands;

H. R. 4407. An act to amend sections 213 (b), 213 (c), and 215 of title II of the Hawaiian Homes Commission Act, 1920, as amended;

H. R. 4408. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 4797. An act to ratify and confirm act 291 of the Session Laws of Hawaii, 1949, section 2 of Act 152 of the Session Laws of Hawaii, 1951, and section 2 of Act 171 of the Session Laws of Hawaii, 1951, which included Maui County Waterworks Board, Kauai County Waterworks Board, and the Board of Water Supply, County of Hawaii, under the definition of "municipality" in the issuance of revenue bonds pursuant to the Revenue Bond Act of 1935;

H. R. 4799. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 4800. An act to further amend section 202 (a) of the Hawaiian Homes Commission Act, 1920, as amended, relating to membership on the Hawaiian Homes Commission;

H. R. 4921. An act for the relief of Silas B. Morris;

H. R. 5004. An act for the relief of Terminal Warehouse Co.;

H. R. 5006. An act for the relief of Gallagher's Warehouses, Inc.;

H. R. 5055. An act to authorize the exchange of certain lands of the United States situated in Ontonagon County, Mich., for lands within the Ottawa National Forest, Mich., and for other purposes;

H. R. 5087. An act for the relief of Hoong Moy Lam;

H. R. 5095. An act for the relief of the estate of Edward B. Formanek, deceased;

H. R. 5107. An act for the relief of Margarine Mary Fujita;

H. R. 5120. An act to amend the Federal Deposit Insurance Act so as to require the insurance of deposits payable at branches of insured banks in Puerto Rico;

H. R. 5198. An act authorizing and directing the Secretary of the Army to transfer certain property located in St. Thomas, V. I., to the control and administrative supervision of the Department of the Interior;

H. R. 5327. An act to amend the act of July 26, 1946 (Public Law 551, 79th Cong.), relating to the issuance of general obligation bonds by the city of Anchorage, Alaska;

H. R. 5481. An act for the relief of Norman E. Doie, Jr., William F. Smith, John G. Harris, and James E. Chamberlain;

H. R. 5496. An act for the relief of F. Archie Meatyard;

H. R. 5515. An act for the relief of John H. Vogel;

H. R. 5517. An act for the relief of Mrs. Katharina Luise Trenye;

H. R. 5578. An act for the relief of Rollins F. Baker and other employees of the Alaska Railroad;

H. R. 5591. An act for the relief of Sister Angelantonia Diana;

H. R. 5788. An act to extend certain 10-year oil and gas leases;

H. R. 5864. An act for the relief of Sachiko Kanemochi; and

H. R. 5911. An act for the relief of David Braithwaite and Orvin E. Wilde.

AUTHORIZATION FOR CLERK OF HOUSE TO MAKE CORRECTIONS IN GENERAL APPROPRIATION BILLS

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 239, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of general appropriation bills enacted during the remainder of the second session of the Eighty-second Congress, the Clerk of the House may correct chapter, title, and section numbers.

Mr. McKELLAR. Mr. President, I move that the Senate agree to the concurrent resolution.

The motion was agreed to.

CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8120) to authorize certain construction at military and naval installations, and for other purposes. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

CONVEYANCE OF CERTAIN LAND TO TOWN OF DEDHAM, MAINE—CONFERENCE REPORT

Mr. LONG. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2190) to provide for the conveyance to the town of Dedham, Maine, of a certain strip of land situated in such town and used as a road right-of-way. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2190) to provide for the conveyance to the town of Dedham, Maine, of a certain strip of land situated in such town and used as a road right-of-way, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments.

RUSSELL B. LONG,
GEORGE SMATHERS,
HUGH BUTLER,

Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
WESLEY A. D'EWART,

Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

COST-OF-LIVING INCREASE IN FEDERAL EMPLOYEE ANNUITIES—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2968) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see pp. 9511-9512 of House proceedings of July 4, 1952.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, I submit the report of the committee of

conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7289) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1953, and for other purposes. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report see pp. 9498-9499 of House proceedings of July 4, 1952.)

The VICE PRESIDENT. Without objection—

Mr. CASE. Mr. President, reserving the right to object—

The VICE PRESIDENT. Unless there is objection to the conference report itself, it will be agreed to.

Mr. CASE. I wish to make brief remarks on the amendment the Senate adopted, but which I understand was dropped in the conference. I do not care whether my statement is made following adoption of the conference report or now.

The VICE PRESIDENT. The question now is on agreeing to the report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7289, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 4, 1952.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 21, 23, 24, and 43 to the bill (H. R. 7289) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1953, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 13 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert: "of which sum, \$100,000 may be made available to one or more private international broadcasting licensees for the purpose of developing and broadcasting, under private auspices but under the supervision of the Department of State, radio programs to Western Europe and Latin America, which programs shall be designed to cultivate friendships with the peoples of the countries in those areas, and to build improved international understanding."

That the House recede from its disagreement to the amendment of the Senate numbered 52 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 404. When the buildings in Judiciary Square now occupied by the District Court of the United States for the District of Columbia and the United States Court of Appeals for the District of Columbia are vacated by such courts, the Architect of the Capitol shall cease to perform any duties in connection with such buildings and any duties theretofore performed by him with respect to these buildings shall thereafter be performed by the General Services Administration. Such amounts of the appropriations herein provided for expenditure for such buildings by the Architect of the Capitol as may be unobligated at the time of transfer of duties shall be transferred by the

House of Representatives

SATURDAY, JULY 5, 1952

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou infinite and eternal God, the coming in and the going out of all our days are in the keeping and control of Thy kind and beneficent providence.

Hitherto our lives have been abundantly blessed and Thou hast not withheld from us anything that was needful.

Grant that, as the hour of adjournment draws nigh, we may lift our hearts in thanksgiving for the high and holy privilege of walking and working together in the service of our God, our country, and humanity.

We humbly confess that we are conscious of many failures; we have often been recreant to our duties and responsibilities; we have been unfaithful to the sacred vows of our high office. Wilt Thou now give us the grace of repentance and amendment and the joys of Thy pardoning grace.

We pray that Thou wilt bestow the benediction of Thy peace upon our President, our Speaker, the chosen Representatives of our Republic, and all who have served our Nation during this session of Congress in whatever capacity. We leave this Chamber commending and committing one another to Thy love and care.

May the Lord bless us and keep us; may the Lord make His face to shine upon us and be gracious unto us; may the Lord lift upon us the light of His countenance and give us peace.
Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. LANDERS, its clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 1913. An act for the relief of Milagros Aujero;

H. R. 2358. An act for the relief of Joseph R. La Porta;

H. R. 2840. An act for the relief of Mrs. Hee Shee Wong Achuck;

H. R. 3268. An act for the relief of Mrs. Jane P. Myers;

H. R. 4634. An act for the relief of Johann Komma;

H. R. 5442. An act for the relief of Martin A. Dekking;

H. R. 5624. An act for the relief of Tokusaburo Imamura Glasscock;

H. R. 6515. An act for the relief of Tracy Ann Corley (Elisabeth Lecorche);

H. R. 6969. An act for the relief of Bozle Lincoln Donalson;

H. R. 7645. An act for the relief of Maria Grazia Maranto;

H. R. 7665. An act for the relief of Annalyn Earley;

H. R. 7713. An act for the relief of Gisele Helen Snowdy;

H. R. 7722. An act to amend the Public Health Service Act so as to provide for equality of grade, pay, and allowance between the Chief Medical Officer of the Coast Guard and comparable officers of the Army;

H. R. 8163. An act for the relief of Hildegard Hobmeier; and

H. J. Res. 480. Joint resolution to extend the time for use of construction reserve funds established under section 511 of the Merchant Marine Act, 1936, as amended.

The message also announced that the Senate having proceeded to reconsider the bill (S. 827) entitled "An act for the relief of Fred P. Hines," returned by the President of the United States with his objections, to the Senate, in which it originated, and passed by the Senate on the recommendation of the same, it was

Resolved, That said bill do pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7656) entitled "An act to provide vocational readjustment and to restore lost educational opportunities to certain persons who served in the Armed Forces on or after June 27, 1950, and prior to such date as shall be fixed by the President or the Congress, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8122) entitled "An act to continue the existing method of computing parity prices for basic agricultural commodities, and for other purposes, disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HOEY, Mr. JOHNSTON of South Carolina, Mr. AIKEN, and Mr. YOUNG to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8271) entitled "An act to amend section 457 of the Internal Revenue Code, disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. CONNALLY, Mr. JOHNSON of Colorado, Mr. BUTLER of Nebraska, and Mr. MARTIN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2592. An act to amend section 403 (b) of the Civil Aeronautics Act of 1938 so as

to permit the granting of free or reduced-rate transportation to ministers of religion; and

S. 3186. An act to authorize the President to appoint to the grade of general in the Army of the United States those officers who, in grade of lieutenant general, commanded the Army Ground Forces or commanded an army during World War II, and for other purposes.

The message also announced that the Senate requests the House of Representatives to return to the Senate the bill (S. 2364), entitled "An act to authorize the Interstate Commerce Commission to revoke or amend, under certain conditions, water carrier certificates and permits."

The message also announced that the Senate agrees to the House amendment to the Senate amendment to the bill (H. R. 651), an act to provide for issuance of a supplemental patent to Charles A. Gann, patentee, No. 152419, for certain land in California.

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House for 5 minutes today, following the legislative program and any special orders heretofore entered.

CORRECTION OF ROLL CALL

Mr. HART. Mr. Speaker, on roll call 144 of July 4, I am shown as not having voted. I was present and voted "aye." I ask unanimous consent that the permanent Record and Journal may be corrected accordingly.

The SPEAKER. Without objection, the permanent Record and Journal will be corrected accordingly.

There was no objection.

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, following the legislative business of the day and any special orders heretofore entered.

Mr. McCORMACK asked and was given permission to address the House for 1 hour today, following the last special order entered, his remarks to appear at the end of today's proceedings in the body of the Record.

INCREASED ANNUITIES FOR RETIRED FEDERAL EMPLOYEES

Mr. MURRAY. Mr. Speaker, I call up the conference report on the bill (S. 2698) to amend section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, and ask unanimous con-

sent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 4, 1952.)

Mr. MURRAY. Mr. Speaker, this conference report contains virtually the same amendment that was passed by the House. There were only three changes made by the conferees: One to make the limitation \$2,160 instead of \$2,000, a raise of \$160; and the other to make the increases effective until June 30, 1954. The House date was June 30, 1953. We extended that time for 1 year or until June 30, 1954, for Congress to make the necessary appropriation for the cost of this legislation or else the increases would stop. The other change was to add the Secretary of Defense to this committee that will make a broad and comprehensive survey of the entire retirement systems. This is a unanimous report on the part of both the Senate and the House conferees.

Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

(Mr. REES of Kansas asked and was given permission to revise and extend his remarks.)

Mr. REES of Kansas. Mr. Speaker, this conference report on S. 2968, is a unanimous report of all conferees in the House and Senate. The agreement represents, in a large measure, the provisions contained in the House version of this legislation.

One of the important features in the House bill, not contained in the Senate measure, is with respect to increasing the annuities for widows and children of deceased employees.

The House, you will recall, has placed a limitation whereby those who receive annuities in the sum of \$2,000 or more, would not receive further increases under this bill. That limitation was increased to \$2,160 or \$180 per month. The savings in this provision, nearly offset the cost of giving annuity increases to widows and children. This is an important feature in the House bill. The average annuity for widows and children is approximately \$50 per month, compared with the average annuity for the retired employees of \$98 per month.

It was agreed that annuities would be paid from the present fund until June 30, 1954. It was also agreed that unless appropriations are made for the fund to take care of the extra charges, no further payments would be made. In other words, Congress would be required to make appropriations to take care of the extra charges and not permit further impairment of the retirement fund.

Members of the conference committee were especially concerned that a study be made of the present retirement fund, to determine whether such fund is economically sound and whether the pro-

visions of the present law are being followed. The committee felt that in order to legislate wisely on the question of Federal personnel retirement, that all Federal retirement systems should be examined. It should be observed that the committee appointed hereunder makes recommendations and that such recommendations are not binding upon the committee or Congress.

One of my concerns—and it should be the concern of every Federal employee—is the constant pressure to combine the Federal employees civil service retirement system with the social-security system. The Federal employees have the most liberal retirement system of any that I know about. They should see that it is protected in the form in which it now exists. This means the civil service retirement fund must remain unimpaired. It must not be made a part of any other system. Pressures, many of them from the employees themselves, to get away from the sound fund theory may possibly lead closer to the combination with the social-security system, which would be, in my judgment, a great disappointment.

I call your attention again to the fact that this legislation although compromise legislation is practically the House version of the bill that passed the House with very little opposition. I take it that this conference report is reasonably satisfactory to the Members of this House, since no one appears to express any opposition from either side.

Mr. MURRAY. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROSS].

(Mr. ROSS asked and was given permission to revise and extend his remarks.)

Mr. ROSS. Mr. Speaker, I want to congratulate the members of the Committee on Post Office and Civil Service for their fine work in rushing to final passage bill S. 2968, liberalizing annuities of retired civil-service employees.

The committee is to be commended, too, for insisting on the inclusion of additional pension benefits for widows and children to retired civil-service employees.

Mr. Speaker, I have given my full support to the passage of this legislation because I believe that retired civil-service employees, and widows and children of retired employees, are entitled to and deserving of increased annuities to offset the increased cost of living.

I again commend the committee for its splendid action on this measure.

Mr. MURRAY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MILITARY AND NAVAL INSTALLATIONS CONSTRUCTION BILL

Mr. VINSON submitted the following conference report and statement on the bill (H. R. 8120) to authorize certain construction at military and naval installations, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 2488)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8120) to authorize certain construction at military and naval installations, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 12, 14, 21, 22, 24¹/₂, 36, 57, 68, 87, 93, 96, 98, 100, 111, 112, 119, 125, 127, 134, 135, 137, 138, 141, 147, 148, 149, 151, 152, 154, 155, 158, 161, 162, 169, 171, 172, 176, 177, 191, 196, 200, and 201.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 8, 9, 10, 11, 13, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 28, 29, 32, 35, 37, 38, 39, 40, 41, 42, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 88, 89, 90, 91, 92, 94, 95, 97, 99, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 113, 114, 115, 116, 117, 118, 120, 121, 122, 123, 124, 126, 128, 129, 130, 131, 132, 133, 136, 139, 140, 142, 143, 144, 145, 146, 150, 153, 156, 157, 159, 160, 163, 164, 165, 166, 167, 168, 170, 173, 174, 175, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 192, 193, 194, 195, 197, 198, 199, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 229, 233, 235, 236, 237, 238, 239, 241, and 242 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Covered storage and community"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Operational maintenance, and training"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Fort Jackson, South Carolina: Administrative facility and utilities, \$182,000."

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "training building, open storage,"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "\$1,286,000."; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Troop support facilities and rehabilitation, \$1,980,000."; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree

Public Law 555 - 82d Congress
Chapter 880 - 2d Session
S. 2968

AN ACT

To amend section 8 of the Civil Service Retirement Act of May 29, 1930,
as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736c), is amended by adding at the end thereof the following: Civil Service Retirement Act, amendments. 46 Stat. 475.

"(c) (1) The annuity of any retired employee or of any survivor of a deceased or retired employee who, before the date of enactment of this amendment, was receiving or entitled to receive an annuity from the civil-service retirement and disability fund, shall be increased, effective on the first day of the second month following enactment of this amendment, by \$36 for each full six-month period elapsed between the commencing date of annuity and October 1, 1952: *Provided*, That such increase in annuity shall not exceed the lesser of \$324 or 25 per centum of the present annuity: *Provided further*, That no annuity shall be increased to an amount in excess of \$2,160 by reason of the enactment of this amendment: *And provided further*, That the increases to retired employees provided by this subsection shall not operate to increase the annuities of their survivors. Annuity increase. 66 Stat. 722. 66 Stat. 723.

"(2) The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund, and shall terminate, without subsequent resumption, on June 30, 1955, or on an earlier date under any one of the following conditions, whichever may first occur: Restriction. Termination.

"(A) At the end of the second month following the third consecutive month for which the Consumers' Price Index of the Bureau of Labor Statistics is less than 169.9, the index for the month of April 1948. In the event that the Bureau of Labor Statistics revises the basis of calculating the Consumers' Price Index, it shall immediately furnish to the Commission a conversion factor designed to adjust to the new basis the index figure of 169.9 described herein, and such adjusted index shall be used for the purposes of this subsection. Conditions.

"(B) On June 30, 1954, unless an appropriation is made to the civil-service retirement and disability fund in the applicable annual appropriation Act, for the fiscal year 1955, or in any prior appropriation Act, for the specific purpose of compensating said fund for the cost, as determined by the Commission, of increases provided by this subsection during the fiscal years 1954 and 1955."

SEC. 2. (a) There is hereby created a body to be known as the Committee on Retirement Policy for Federal Personnel, which shall be composed of a chairman appointed by the President and, ex officio, the Secretary of the Treasury, the Secretary of Defense, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, and the Chairman of the Civil Service Commission. Committee on Retirement Policy for Federal Personnel.

(b) The Committee shall make a comparative study of all retirement systems for all Federal personnel and report to the Congress not later than December 31, 1953. Its report, including findings and recommendations, shall include the following: Duties. Report.

(1) the types and amounts of retirement and other related benefits provided to Federal personnel, including their role in the compensation system as a whole;

(2) the necessity for special benefit provisions for selected employee groups, including overseas personnel and employees in hazardous occupations;

(3) the relationships of these retirement systems to one another, to the Federal employees' compensation system, and to such general systems as old-age and survivors insurance; and

(4) the current financial status of the several systems, the most desirable methods of cost determination and funding, the division of costs between the Government and the members of the systems, and the policies that should be followed in meeting the Government's portion of the cost of the various systems.

66 Stat. 723.

66 Stat. 724.

(e) The Chairman of said Committee, under such rules and regulations as the President may prescribe, is authorized to procure services pursuant to section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and subject to the civil-service laws and the Classification Act of 1949, as amended, to appoint and fix the compensation of such attorneys and other personnel as may be necessary to carry out the provisions of this section. There are hereby authorized to be appropriated to the President such sums as may be necessary to carry out the provisions of this section.

60 Stat. 810.

63 Stat. 954.

5 U.S.C.

§ 1071 note.

Appropriation.

46 Stat. 476.

SEC. 3. Section 13 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 716), is amended by adding at the end thereof the following paragraph:

Waiver.

"Any person entitled to annuity from the civil-service retirement and disability fund may decline to accept all or any part of such annuity by a waiver signed and filed with the Commission. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

Approved July 16, 1952.